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19 AUGUST 1986

Latin America Report

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LATIN AMERICA REPORT

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NICARAGUA'S CLOSING OF LA PRENSA CRITICIZED

Guatemala City EL GRAFICO in Spanish 27 Jun 86 p 15

[Editorial: "Nicaragua's LA PRENSA Silenced"]

[Text] In an act that would fill the Somoza dictatorship with shame, the "democratic" government of Managua responded yesterday to the approval of the $100 million for the "contras" given by the Congress of the United States of America, at President Reagan's request, with the closing, for an "indefinite" period of time, of the only opposition newspaper in Nicaragua: LA PRENSA. This assault on free expression of thought constitues the second execution of the martyr of Nicaraguan freedom, Pedro Joaquin Chamorro, who was murdered by Gen Anastasio Somoza's henchmen, thereby attempting to silence the voice of his strongest and most furious opponent. Pedro Joaquin's blood became a flame which caused the conflagration that put an end to the Somoza dynasty's empire. Now, 7 years later, the Sandinist commandantes, the very ones who came to power thanks to the sacrifice of Chamorro's life, have silenced his voice: Managua's LA PRENSA.

What is incredible is the fact that the Sandinists should make such a big political mistake: It is absurd that, while they are presumed by the world to be establishing a "democratic, pluralistic" government, "respectful of human rights" in Nicaragua, they should take the liberty of silencing the only informational medium that could serve as testimony that freedom still remained in Nicaragua, despite a strict censorship (understandable in a state under emergency measures). With the measure adopted to silence LA PRENSA, the Sandinists are making it quite difficult for all those who still uphold Sandinist-Marxism; and it is even worse, when one considers the fact that many world newspapers, including a great many American ones, have harshly criticized the approval of the aid for the "contras" by the U.S. Congress; hence, they are being thereby deprived of the last vestige of credibility that they had for defending themselves to the utmost.

The most disturbing aspect is that, after the disappearnce of freedom of the press and of the only opposition news medium in Nicaragua, it is almost certain that an escalation of repression will begin against all those sectors that have refused to yield to the Marxist dictatorship. The next victims of terror and Sandinist silencing will be the Nicaraguan Church and its bishop, Cardinal Miguel Obando (also an unadulterated anti-Somozist and now an opponent of Sandinist absolutions); the little that remains of private enterprise; and the virtually non-existent political opposition organized into parties. None of the outrages committed against the opposing citizens may be known to the Nicaraguan people; the Sandinists' gag will report only the information that suits them, through their own official news organs. A people without freedom of the press is a mute people, gagged, and lacking any expression; a situation that prompts peoples to rise up in arms as the only option for self-expression. If there was any chance left for the Sandinists to gain credibility in the world and to win support and sympathy, they have just destroyed it with the measure adopted to silence LA PRENSA; because no libertarian democrat in the world could believe or defend a regime which silences the voice of the people.

2909
CSO: 3248/569

DETAILS OF DOMINICAN RESPONSE TO BARBADOS PM'S CRITICISM

Bridgetown DAILY NATION in English 10 Jun 86 p 1

[Text] Roseau, Dominica--Members of Dominica's ruling party and the New Chroinicle newspaper have taken Barbados' Prime Minister Errol Barrow to task for criticising Dominican leader, Eugenia Charles.

Barrow told the regional Press shortly after his party's general election victory that Miss Charles was not suited to the politics of this day and age.

The Roseau branch of Miss Charles' Dominica Freedom Party (DFP) yesterday issued a statement describing Barrow's comment as unprovoked and irresponsible, as well as a threat to Barbados' privileged status in the eastern Caribbean.

The New Chronicle newspaper called on Barrow to apologise to Miss Charles.

The DFP branch complained that Barrow's "first contribution to the region following his election...is to sow seeds of discord, by engaging in personal attacks" against Miss Charles and Jamaica's prime minister, Edward Seaga. Barrow had said Seago looked to the United States to solve the island's major problems.

The DFP branch said Barbados had enjoyed a privileged status in the eastern Caribbean as the centre for banking, insurance, commerce, industry, civil aviation, diplomatic relations, research and higher education.

It continued; "A disruption in these relationships brought on by Mr Barrow's unjustified, unprovoked and irresponsible attacks on the prime minister of Dominica and by extension, leaders of the Eastern Caribbean states, is not in the best interest of Barbados and the Barbadian people."

The DFP branch warned of the dangers of the disruptive influence of name-calling in the press and over the airwaves by regional leaders, but stated: "What is good for the goose is good for the gander."

It described Barrow as having been "in hibernation" over the last ten years. It said that "having been brought out of his deep sleep (he) is trying to recapture the politics of the early 70's when black power, scientific socialism, anti-Americanism and the like were in vogue in the Caribbean".

The party members remarked that "the style of Miss Charles and the vast majority of the Dominica people is an unshakeable commitment to freedom and democracy and a deep condemnation of adverturism like that attempted in the 1970's by Sydney Burnett Alleyne and his associates".

The Barbados-born Alleyne had been accused of planning an armed invasion of his native country in association with former Dominican prime minister, Patrick John, between 1978 and 1979.

The DFP Roseau branch, which represents the constituency of Miss Charles, urged Barrow to "wake up to the new Caribbean of the mid-1980's" and play his part".

In a weekend editorial entitled Barrow's blunder, the New Chronicle newspaper called for an apology from Barrow to "the first Caribbean woman leader who has fast become one of the world's most respected statespersons".

It compared Barrow's attack to a reference by Grenada's late prime minister, Maurice Bishop, to Miss Charles as a "yard-fowl", and asserted that such personal attacks on the leader of another country should be deplored, since "it does not augur well for the Caribbean unity".

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CSO: 3298/505

LEADER DISCUSSES TIES WITH TRINIDAD, GUYANA

FL042238 Bridgetown CANA in English 2125 GMT 4 Jul 86

[By Trevor Simpson]

[Text] Georgetown, 4 Jul (CANA)--Barbados and Trinidad and Tobago will this month start talks on a new bilateral cooperation agreement covering air services, petroleum and trade, Barbados Prime Minister Errol Barrow said today.

In this connection, Barrow, here for the 1986 Caribbean Community (Caricom) heads of government conference, told reporters that his new government was considering dismantling its loss-making airline, Caribbean Airways, and closing Barbados' lone oil refinery, which was now old and inefficient.

The veteran Barbadian leader, who met here today with his Trinidad and Tobago counterpart, George Chambers, said three cabinet ministers from Port of Spain were due in Bridgetown before monthend to begin hammering out a new concordat in order that we should revive as quickly as possible the trade relationships which existed before.

Barbados, he said, was studying the viability of its modest petroleum industry, which is currently contending with high production costs and low world oil prices and which last year supplied about half the local demand.

The Barbados Government, he added, had already decided to cut domestic crude production by about 30 percent from last week.

We are looking at the viability of our oil industry in Barbados in order to rationalise production between Barbados and Trinidad and Tobago, Barrow said. We are considering asking the refinery to remove from one of our prime hotel sites and if necessary compensating them, because they still have an unexpired term to run on the lease of the land on which they are operating the refinery. They have an agreement with the Government of Barbados and we will have to consider cancelling the agreement.

Barrow said his government was making an in-depth study of the air transportation problems of the whole eastern Caribbean with particular reference to the role of the Trinidad and Tobago airline BWIA and the role of Caribbean Airways.

I have been looking at the possibility of discontinuing the service now operated by Caribbean Airways if I can come to a satisfactory agreement with the Government of Trinidad and Tobago on the operation of our route rights, particularly to Europe and North America.

The Barbados leader also announced that Barbados was considering investing U.S. 60 million dollars in a commercial joint venture with Guyana mainly in the field of timber production. When that industry gets going, products will be exported to Barbados and Guyana will be given credit. No money will pass, Barrow explained.

Barrow said the move would help Guyana to wipe out its multi-million dollar indebtedness to the now-suspended Caricom Multilateral Clearing Facility (CMCF).

The U.S. 100 million dollar scheme, which was used to finance intraregional trade, fell through three years ago, owing Barbados some more than U.S. 60 million dollars. Barrow said the Guyana Government was altogether pursuing about 30 possible joint ventures.

The CMCF was now dormant, Barrow said, but he predicted that Guyana should be able to liquidate its indebtedness to Barbados in about two-and-a-half years.

He said he was in favour of liquidating the financially-troubled Caricom-owned West Indies Shipping Corporation (WISCO)--whose continuing deficits are a cause for concern among the regional governments which subsidise it--and leaving the sector to private enterprise, with a modest subsidy if necessary.

Barrow said the Caricom leaders had made the widening and deepening of the regional integration movement one of the main commitments coming out of the four-day summit here.

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CSO: 3298/505

JAMAICA, TRINIDAD-TOBAGO SIGN AIR TRANSPORT AGREEMENT

Port-of-Spain TRINIDAD GUARDIAN in English 4 Jul 86 p 1

[Text] Georgetown, Guyana, 3 Jul (CANA)--Trinidad and Tobago Prime Minister George Chambers said today's signing of a long-negotiated air transport agreement with Jamaica demonstrated the importance of political will to long outstanding matters.

The agreement, talks on which started eight years ago, permits Jamaica, to serve Port of Spain and intermediate points in most Caribbean countries as far south as Guyana.

Reciprocally, Trinidad and Tobago now has the right to fly services in the opposite direction to as far as Belize.

Both countries have state-run national airlines, BWIA, and the Kingston-based Air Jamaica.

Chambers, who signed the documents with his Jamaica counterpart Edward Seaga during a break in the Caricom Heads of Government summit, said the agreement had been on agenda since 1978, but had only came to the fore during official visits within the last year.

Better Capabilities

The signing heralded the timing or the time for greater opportunities between both countries if the political will continued.

Seaga said the agreement provided that the designated airlines of both countries would negotiate commercial agreements for service points beyond Jamaica and Trinidad and Tobago, as the case might be.

The agreement marks another step in the strengthening of relations between Jamaica and Trinidad and Tobago.

Seaga said he knew of no immediate plans for Air Jamaica to fly to the Southern Caribbean. But the framework of the new pact would make it possible.

He said Jamaica opted for BWIA, because of its better capabilities in servicing the route and...its ability to transport freight as well.

Trinidad and Tobago's State Enterprises Minister Ronnie Williams had earlier told Cana that, under the agreement, BWIA expected to add Haiti to its Caribbean destinations.

Trinidad and Tobago has already signed similar air services agreements with other Caricom member states, including St Lucia and St Kitts-Nevis.

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CSO: 3298/505

CARICOM MEMBERS' DEBT TO SECRETARIAT NEAR $10 MILLION

Port-of-Spain SUNDAY GUARDIAN in English 13 Jul 86 p 3

[Text]

GEORGETOWN, July 12, Cana — THE 13-member countries of the Caribbean Community owed the Caricom Secretariat here nearly $10 million EC in contributions and accumulated interest up to July 2 of this year, well informed sources here said.

Jamaica's six million dollar debt and Trinidad and Tobago's nearly two million dollars arrears were among the largest, while Barbados owed more than $600,000. Saint Lucia had arrears dating back to 1983 and Trinidad and Tobago to 1984, the sources said.

The secretariat's financial situation, including the delinquency in the payment of contributions was brought to the attention of Caricom heads of government at their annual summit here this month, the sources said.

The secretariat, for its part, owed creditors more than six and a half million dollars (G), including about a four million dollar overdraft at two Guyana commercial banks.

The sources said the overdraft amounts to about 24 per cent of the secretariat's 1986 budget, and this was in turn well over the 15 per cent limit authorised by the Caricom Council of Ministers three years ago.

With little immediate prospects of an improvement in the financial position, the council recently authorised the secretary general of Caricom to raise the overdraft ceiling to 30 per cent of the budget, the sources said.

As far back as 1983, members' delays in paying contributions to the secretariat resulted in what the Caricom Council at the time described as severe cash flow problems.

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CSO: 3298/505

HERALD'S 'PATRIOT' ARTICLES ON ALP SPARK MORE REACTION

Lester Bird's Response

St Johns HERALD in English 27 Jun 86 pp 4, 8

[Letter to the Editor]

[Text]

20th June, 1986

Editor
The HERALD
Redcliffe Street
St. John's

Dear Sir:

V.C. Bird is my father. His blood runs in my veins. Nobody, apart from my brothers and sisters, can love V.C. Bird Snr. as much as I do.

When I was a boy and V.C. Bird Snr. was an active Trade Unionist fighting for the rights of workers and, under threat from those in authority at the time, I experienced the fear of those times.

When I returned to this country as a young lawyer and I found that many, who now call themselves V.C. Bird's friends, were maligning him and dragging his name through the mud, I stood up with him, his 'today' friends, who now say I want to overthrow him, were then members of various other political parties and were actively abusing his name.

I make that point clear. And, in responding to yet another rash of rumours that "Lester Bird hungry for power", I wish to make yet another pellucidly clear statement. I, Lester Bird, have no intention or desire of ever trying to remove my father from office. In fact, I will go one step further and I will state, without fear of contradiction, that I am the only reason why others have not tried harder to remove him. I am the only reason, because they know that to remove V.C. Bird, Snr., they have to confront the spectre of Lester Bird and that prospect looms too large before their eyes, for any of them to try it.

If they remove him, before they remove me, then they have to contend with me. Therefore, they have to get rid of me before they make their move on him. And who better for them to get to remove me than V.C. himself? For once I am gone, moving him becomes a great deal easier. After all, he would be without his Deputy, who is also a Bird and also his son. And, as they are all so fond of pointing out - Blood is thicker than water.

The people of this country need to understand this point very fully. Whenever I confront people in the Labour Party, or elsewhere, for their weaknesss and their ineptitude, for their lack of commitment and their infedility to the Government, they run around ducking for cover. In trying to hide themselves, they seek to set up other targets so as to deflect attention from themselves. Thus, many have shouted for all to hear that it is not them that "Lester is attacking, is he old man, he own father". Their tactic is to convince the people of this country that when I or anyone who supports me, questions the activities of the Labour Party, or its members, I am attacking the Prime Minister.

On July 26th, 1985, I published an article in response to one written by Tim Hector, I made a statement then about my father which I will repeat now. It is this: "I would not say that V.C. Bird is without fault, but I would say that he has made a greater contribution to this country than any other person, living or dead. It is well known that I do not agree with every position V.C. Bird adopts, but my disagreements with him are not so fundamental as to warrant the sort of disrespect which Hector would so readily welcome". My position has not changed.

There are, of course, many others who also disagree with positions adopted by my father. But, unlike me, they do not tell him that they disagree, instead they sneak behind his back and whisper into the ears of others that "V.C. going senile". They make snide remarks out of his earshot, because they lack the courage to say how they feel to his face. My question is, which is worse - the son who tells to his father officially and behind closed doors that he disagrees or the former enemies, now "friends", who agree officially and whisper their nastiness behind closed doors? As far as I am concerned, give me the man who will disagree with me to my face, than the man who will stab me in the back.

Recently, I have had the benefit of a great deal of unsolicited advice. Apparently, it is the 'in thing' to give Lester Bird advice. It is also the 'in thing' to put it about that 'Lester Bird is getting bad advice'. Therefore, those who do not like what I am doing, say that I am getting bad advice and offer advice of their own. Persumably because their advice is "good advice" and the advice is good, because it comes from them.

In all of this, it seems to be forgotten that I successfully completed a degree at Michigan, successfully completed the Bar in three years in London, successfuly managed a Legal Practice, and successfully defended many persons on my own. Without advice. Without scrript. Without any of my so called advisors and without any of those who are so anxious now to advice me.

I am happy to listen to anybody's point of view, in fact, I believe that if I have one good quality as a leader, it is my capacity to listen to the views of others and take account of such views, but in the final analysis, I must do what I consider in my conscience to be right. That is why, on the Gooch affair, I listened to many views which urged me to take a different course, but in the end, I had what I considered to be right. It gives me no cause for glee that events in South Africa today, and the recalcitrance of the U.K. Government on sanctions against South Africa, only serve to re-inforce my view that I was right not to cheat with Gooch and others in the English Cricket Team.

Much of the advice which has been offered to me recently warns me that it is being construed by "some people" (and these people are always nameless and faceless) that in trying to get the Labour Party to face up to some of its weaknesses, I am attacking my father and, therefore, acting on "bad advice".

Let me make this public now. Recently, I took a number of my very close political colleagues to see my father, I told him, with them present. that those men who were with me, supported him even more strongly than they supported me. That is a fact. Not one of the men or women, close to me, would lift a finger to threaten V.C. Bird's leadership in any way. However, they will fight for him. And they will fight for me. That makes them "Bird people". And because they are "Bird people", there are certain groups in this country, in opposition and within the Labour Party, who wish to get rid of them.

In order to get rid of "Bird people", these groups go to great extremes, including warning the Birds of the dangers posed to them. There is almost a presumption of stupidity on the part of the 'Birds'. A presumption that it is easy to persuade them, to divide them and to encourage them to fight with each other.

Let me, therefore, lay to rest this latest rash of rumours that state that I am being advised by my people it is not a dynasty and he cannot just hand over power. I must win it on my own ability. No member of my supporters has ever urged me to push my father from Office. Every single one of them has been as faithful to him as to me. And for my part, I am a Bird and proud of it. I am V.C. Bird Snr.'s son and proud of it. I am proud of my Father's contribution to this country and I am honoured that other members of my family, including myself, have had the honour to join with him in developing his country. We may not always agree, but on developing this country we are firmly agreed.

Yours truly,

Lester Bird

HERALD-Mrs Harris Exchange

St Johns HERALD in English 27 Jun 86 pp 5, 6

[Letters to the Editor]

[Text] Mrs Harris Reacts to 'PATRIOT'

Hodges Bay
10th June, 1986

The Editor,
The Herald.

Dear Editor,

These brief comments on an article entitled "ALP and the Leadership Struggle", published in your issue of 6th June, 1986, are offered in the absence of Mr. Reuben Harris from the island. He has not seen your paper and as far as I am aware he has no knowledge of the contents of the article; nor has he communicated with me on the matter.

However, I feel competent to comment on two small areas of the analysis made by "Patriot". One of these areas concerns the inability of Mr. Harris to "support certain principles which were widely upheld by Labour Party members". This I find extremely interesting, coming from the pen of a writer who only two short weeks ago declared that the Labour Party was lacking in principles.

I am left to wonder what principles Mr. Harris cannot support. Might it be that he finds himself unable to support certain types of unprincipled behaviour? Might it be that there is a modicum of truth in the accusation that there is corruption within the Party? If there is, then Mr. Harris is going to be out of step with the Party. If there is wheeling and dealing, with a little graft here and a little perks there, then Mr. Harris is not going to be able to support either Party or individual members who are involved.

These considerations aside, I am not aware that the Labour Party upholds any principals which Mr.

Harris does not subscribe to.

The second area of concern in the Patriot's article is the sentence which reads, "Both he (Mr. Harris) and others must consider what this means for his ambition to be the leader of the Labour Party." There is more than a suggestion here that Mr. Harris is aspiring to leadership of the Labour Party. Patriot does not really know Reuben Harris. Speaking with the wisdom of nearly 28 years of fairly close association with him, I can say that Reuben Harris is quite capable of drawing conclusions from obvious facts. One of the things that he has observed is that inherent in the political system of the Antigua Labour Party are certain weaknesss which he would personally wish to avoid. Knowing how important to him are his family relationships, I would know that he would never jeopardise those relationships by attempting any odyssey from Cabinet to White House. Any ambitions of leadership which he might have held have been weighed in the balance and found wanting.

This is not to say that Mr. Harris is totally lacking in ambition. He does indeed have an over riding ambition to see good government in Antigua. This is why he does not engage in land grabbing; this is why he is indebted to the Bank of Nova Scotia for the privilege of living under his own roof; this is why he does not put his hands under tables; this is why he asks certain awkward questions from time to time. And it may well be the reason for the reports that certain people are busy trying to replace him in his constituency.

But these busy people need to be reminded that whether as Minister or Backbencher, whether as a Member of the Opposition or merely as an observer from the public gallery, Mr. Harris will continue to keep a watchful eye on the activities of Government in Antigua.

Finally, Mr. Editor, your Patriot through his series of articles may have done more to tarnish the image of the Antigua Labour Party than the effective Opposition might have done. Seldom have I seen such an indivious attack launched from within on the Leader of the Labour Party, a person who has dominated the political scene for upwards of forty years. Numerous observers have stated with disgust that the obvious purpose of the series of articles was to elevate one man head and shoulders above the others in the Party, the present Leader not excepted.

Whether this is meant in a literal or figurative sense remains to be seen.

By
Bridget Harris

HERALD Responds to Mrs Harris

The Editorial staff of the HERALD have deceided not to ask "Patriot" to respond to the letter from Mrs. Bridget Harris, but to reply directly.

The HERALD was delighted to receive Mrs. Harris's letter which responded to the invitation issued by the Editor for other people to contribute to the debate started in the series by "Patriot". We regret that she did not respond until the publication of the third article, on the "ALP and the leadership struggle". For that was the article in which Patriot stated that while Mr. Reuben Harris could be a useful member of a Cabinet, he should not aspire to higher office. Coming only after the publication of that article, Mrs. Harris's letter appears to be motivated entirely by selfish interests. It is obvious, for instance, that she was silent when the first two articles appeared and those dealt with fundamental issues within the Labour Party. Maybe, it was, that she didn't care about the fundamental principles. After all, she is married to a man whose second famous statement is that "he yearns for the colonial days". And those are days when the ALP had to fight for principles.

Roused to write, Mrs. Harris copied her letter to Robin Bascus at the WORKERS VOICE who dutifully printed it at Mr. Harris's printery. In our view, Mrs. Harris should have written to Bascus in the first place for it would not have been the first time that Bascus would have published material in the WORKERS VOICE, printed at Mr. Harris's printery and emanating from under that roof in upper class Hodges Bay where, Mrs. Harris says, Mr. Harris "hands are never under the table)" (poor man he can't even scratch an itch in an awkward place - at least not at home, where his hands are never under the table). The Gooch issue, when Bascus waxed lyrical in English that would have broken his tongue to pronounce, let alone write, was evidence of earlier missives that had been penned in that home at Hodges Bay which houses "important family relationships which would never be jeopardised". Reuben, is that you?

Behaving like character, in the the farce organised by Shakespeare' Hamlet, of whom the Queen was forced to say, "the lady doth protest too much, me thinks", Mrs. Harris painfully and pedantically wrote that she was offering her comments "in the absence of Mr. Reuben Harris from the island". Thus, we are expected to believe that Reuben played no part in her writing. Then taxing our credulity still further, she stated that "he has not seen your paper and as far as I am aware he has no knowledge of the contents of the article". What about telephones? Or does Reuben not stay in touch with the "important family relationships which would never be jeopardise"? Come on Mrs. Harris, come on.

Mrs. Harris also provides evidence to support the accusation made by "Patriot" that "people within the ALP, including Government Ministers, whisper in the living rooms of their friends that the leadership is corrupt". Here is Mrs. Harris, writing as the wife of the Minister of Education and Culture, Second Vice President of the Labour Party and member of the Cabinet, "if there is wheeling and dealing with a little graft here and a little perk there". Who is wheeling and dealing? Who is the beneficiary of a little graft here and a little perk there?

Indeed, why is Mr. Harris still associated with a "little perk and a little graft"? Why is Mr. Harris, and even Mrs. Harris, still meddling with "wheeling and dealing"? She would recall that Tim Hector and the Outlet had alleged that a certain Minister had furnished his home with material which was brought through customs without duty being paid. As "Patriot" said, the problem about throwing mud is that some is bound to stick. In this circumstance, is this nation to believe Mrs. Harris when she repeats Tim Hector about "a little graft and a little perk," but disbelieve him when he talks about the Minister who furnished his house without paying duty? Careful there, Mrs. Harris or you might trip up on a little perk.

It was noticeable that, bristling with anger that "Patriot" had sidelined her husband in the leadership struggle, Mrs. Harris, not so cleverly, sought to suggest that the "Patriot" series was designed to attack V.C. Bird. However, she could not bring herself to give the Prime Minister any credit. She mentioned only that he "had dominated the scene" for over forty years. She did not say that he had dominated the scene "well" or "wisely". In other words, she maintained the grudge she has always carried against V.C. Bird and which was never more evident than in the most well-known utterance of her husband. Reuben Harris, that V.C. Bird should be locked up and his passport burnt.

We will not judge Mr. Harris's views by his wife's letter for we know he could not publicly disassociate himself from it, particularly in view of the "important family relationship' which would never be jeopardised". However, we would urge Mrs. Harris to be mindful of the humility of V.C. Bird and the way in which he has lived. In that connection, we would point out to Mrs.Harris that her reference to Reuben moving from "the Cabinet to the White House" is most unfortunate. For V.C. Bird's house at Tomlinson's is much smaller than her residence at Hodges Bay - if Reuben were to fulfil his obsession to be Prime Minister (which Mrs. Harris tells us is NO LONGER on his agenda and, therefore, obviously was) he would, in fact, be moving from the White House to the cabin.

We note that Mrs. Harris has set up Reuben as a paragon of virtue, Therefore, according to her, he "will continue to keep a watchful eye on the activities of Government in Antigua" (not Montserrat where he was born, but Antigua which gave him prestige, position and a big house in exclusive Hodges Bay). This is good and we welcome it. However, we also not that many have asked questions about the probity of a woman being the Head of a Department in the Ministry of which her husband is Minister. In this regard, we hope Mrs. Harris will equally welcome those who keep a watchful eye on the Ministry of Education, Culture, Youth Affairs, Sports, Women's Affairs, Carnival, Museums, Libraries.

'PATRIOT' on Party Reactions

St Johns HERALD in English 27 Jun 87 pp 1, 6-7

[Article by "PATRIOT": "The Truth Hurts and the Awful Truth Hurts Awfully"]

[Text]

This is the final article in a series examining the political situation in Antigua and Barbuda. The veiws expressed in this article are not necessarily those of the HERALD.

The reaction to this series of articles has been remarkable. The series has already had dramatic results which will be discussed later in this article. But, first, the observation must be made that the series has elicited an obsessive drive by many to discover the identity of the author.

Tim Hector and the OUTLET appear unable to make up their minds whether it is "Lester Bird with ghost writer Ron Sanders" or "Lester Bird with ghost writer Dr. Patrick Lewis" or just Lester Bird. Robin Bascus and THE WORKERS VOICE seem to believe it is Hugh Marshall. Other suggested names are James 'Bags' Thomas, Lloydstone Jacobs, Rupert E.H. 'Rugby' Lake and Novelle Richards.

IDENTITY OF PATRIOT

"PATRIOT" will now reveal that he is not a person, but a hope; he is not a man but a warning. He is the embodiment of a growing opinion in this country that states quite clearly that neither the ACLM nor the UNDP are fit to form a government, yet if the Labour Party is to remain in office, serious changes are not only required but essential. Patriot is the symbol of an overwhelming desire in this country to articulate and pursue a programme of development whose centerpiece is the celebration of indigenous culture, the preservation of national heritage, the expression of West Indian acumen in business, the marginilisation of incompetence and ineptitude in Government, the promotion of the young and the reverence of the old, and the establishment of the political and economic processes which work, which are subject to evaluation and which have built-in mechanisms of accountability.

ALP DOES WHAT IS RIGHT

The first three articles in this series caused consternation among many in the ALP. There was weeping and gnashing of teeth, there was cursing and swearing, there were threats and breast beating. And why? Because the truth hurts and the awful truth hurts awfully. Many in the ALP could not face up to the fact that the party is far from perfect and that they may have unwittingly contributed to its woeful condition. However, it is to the credit of the Labour Party that after the wringing of hands and weeping and wailing, they have begun to do what is right.

Thus, over the last three weeks, we have seen the ALP take to the streets with public meetings, we have witnessed ALP members taking on the mindless mutterings of the opposition, we have watched the ALP galvanising itself to action. If "Patriot" has contributed to this awakening by forcing the ALP to look deep into itself and correct its faults, then the abuse hurled at this series has been worth it.

ALP BUCKLES DOWN

After the initial ranting and raving about the "Patriot" series, the ALP Executive buckled down to moaning little and groaning even less. In a significant response to the "Patriot" series, the ALP Executive has established a disciplinary committee and a strategy group to plan the party's future. The ALP has shown that it can bleed a little and yet bind up its wounds. Of course, there are still mavericks, the malcontents for whom everything would not be enough - this handful will, no doubt, continue to be make mischief, but at least now there is a disciplinary committee to deal with them.

All is not yet fully well with the ALP, but a start has been made and this is better than the apathy, lethargy and selfishness that prevailed hitherto. It is left to be seen whether the party Executive are dedicated enough to march on stronger than before by continuing the internal processes of reform of the party and the eternal process of providing the country with a solid, united front.

AT&LU NEEDS DISCIPLINE

It is against that background that attention has to be paid to the AT&LU. Like Sampson and Delilah, like Romeo and Juliet, like Anthony and Cleopatra, the ALP and the AT&LU are interlinked as a love match in the minds of the people of Antigua and Barbuda. Since this is the perception and the reality, development within the AT&LU bear a strong relation to the future or fate of the ALP. In this regard, it would be unfair to energise the ALP and not provide the AT&LU with the means to examine its own systemic weaknesses.

The first thing that the AT&LU needs is discipline within its Executive. Older members of the Executive, who have been with the Union when some of its younger members were children, often wonder if they are not sometimes watching a replay of the 1960's, when the General Secretary refused to abide by decisions of the Executive, when he actively sought to remove members of the Executive and when he promoted himself above the Executive.

No General Secretary should feel himself at liberty to attack the President of the Union. And no General Secretary should threaten to write to the International Labour Organisation, stating that the President of the Union is not the representative of the AT&LU. That is going too far. Young men must learn to wait, they should not be so anxious to overthrow the older ones who have been with the Union since boyhood. In this connection, the AT&LU should re-invoke its disciplinary procedures and the Executive should make it clear to all and sundry that the Executive is pre-eminent over all individual views, including the General Secretary who must learn to follow before he will ever know how to lead.

UNION EXECUTIVE NEED TO ACT

The Executive of the AT&LU also need to seriously address their relationship with the ALP. If like everyone else, they are still convinced that the ALP and the AT&LU are one and the same, then the Executive must ensure that none of its members use their official positions or the resources of the Union, including the Newspaper, to attack the Government generally and Ministers individually because of **personal grievances.** Thus, because the General Secretary may not have liked the way the Minister of Labour treated him at the ILO conference in 1984, he should not be at liberty to attack the Minister openly. If the General Secretary, or anyone else, has a legitimate grouse, then there should be a mechanism between the Party and Union, for addressing such grouses within the councils of the two bodies, not in the streets and not in the Union's newspaper. Particularly not after the service given to the Union, as its General Secretary, by the Minister of Labour between 1968 and 1976. There is an urgent need for discipline within the Union Executive and also for a mechanism of separating Union business from party business with a joint facility for addressing difficulties which might arise between the two. To leave matters as they are, would be courting trouble in the long run.

HERALD FORMED BECAUSE OF ABUSE FROM WORKERS VOICE

As a final point on the AT&LU, it should be stated that were it not for the insensitive attitude of a few people in the Union, there would have been no need for the establishment of this newspaper, the HERALD. This Newspaper was born out of frustration. For often the pages of the WORKERS VOICE would carry so many attacks upon Government Ministers that it became difficult to distinguish it from the OUTLET.

The Union Executive should now address the very serious problem in which both Executive Union members and Executive ALP members feel that they are being abused by a vocal minority on the Union Executive. For the situation is bound to create more division and lead to the creation of alternatives to the Union's facilities.

As a response to constant attacks upon the Government in the WORKERS VOICE, this newspaper had to be formed, but there will be other divisions in other areas with other structures being established and, as a consequence, the Union will be weakened. The Union executive is urged to act now to avert further disintegration of the organisation which has so singularly and spectacularly done so much for the people of this country.

HEATH TO LEARN TO TAKE HEAT

Let us turn now to the reactions of the opposition groups to the "Patriot" series. Ivor Heath and the UNDP chortled and sniggered over the first three articles, for they interpreted them as a split in the ALP, a rending asunder from which the party could not re-emerge in one piece. How little they understand of politics? "Patriot" well appreciated that it is sometimes necessary to hold up a mirror to your own face in order to see the blemishes more clearly. 'Patriot" also knew that, in the end, those faithful to the Labour Party; those who grew-up in it, would join their hands in the traditional way of unity.

Nothing prepared the Heath/Walter merger for the "Patriot" analysis of their sham that they call the UNDP. Once the facts about the UNDP had been laid bare, the truth hurt and the awful truth hurt awfully. He is beginning to learn that politics is not a game for the timid; those who wish to stay in the kitchen have to learn to take the heat.

But before leaving Heath, a final word should be directed at him. He has become very sensitive to the accusation that he is middle-class and, therefore, incapable of representing the working men in this country. Thus, he has begun to compare himself with others, notably Lester Bird. Heath's argument is that he comes from a family similar to Lester Bird's and, like Lester Bird, he went abroad to study and returned with a profession. However, Heath should understand that in developing countries like ours, where the children of the working class are emerging, in the post colonial era, as professionals, businessmen and owners, the condition of "middle class" is more a state of mind than a measure of economic well being. Throughout history, some of the greatest oppressors of the working class have been children of the working class such as Ferdinand Marcos of the Phillipines or Eric Gairy of Grenada. In those cases, background was of no account, it was the mental attitude that was important.

In Heath's case, there is no relevance in comparing himself to others in Antigua, to prove that they, like he, are middle class. For it is a natural evolution from colonialism for the talent of the working class to emerge once it has been freed from restrictions of race, colour and economic exploitation. The problem with Heath is that he did not emerge from colonialism, he was absorbed by it. Thus, in his mental attitude, he became more "massa than massa".

HECTOR LOST FOR WORDS

Tim Hector's response to the "Patriot" was predictable. Here is a man who hates to have anyone in this country present new ideas. He feels that the myth he has perpetrated for years that he is Antigua's only thinker will be threatened. He recognised the intrinsic value of the "Patriot" series and it frightened him. Hence, his strategy was to cast the series as evidence of the ALP's imminent demise. He spent one month doing nothing but talking about the first three articles of the "Patriot" series. Three weeks have gone by and he has been silent on the analysis of the Heath/Walter merger and two weeks have elapsed and he is yet to utter a word about the "Patriot" article on him. And this is a man who prides himself on words and boasts of his powers of speech. But the truth has hurt him and the awful truth of his plans for establishing this country on a Cuba/Lybia axis has hurt him awfully.

Two weeks ago, he was quick to claim that Lester Bird's declaration on protecting Antiguan and Barbudan land for Antiguans and Barbudans was his idea. What a bold faced fellow this Tim Hector is. It is well known that it is a basic tenet of all communists that no land should be privately owned. Therefore, Hector has always proposed that there should be no private ownership of productive land; instead all land should be owned by the state for the people. In other words, Hector never proposed that land, owned by foreigners should pass to private local ownership; he has always proposed ownership by the state.

There is a big difference between land being owned locally by the state and land being owned locally by private individuals. But, Hector recognised that Lester Bird's plan had appeal and, therefore, he attempted to hijack it as his own.

HECTOR SINKS TO MURKY DEPTHS

In the process of attacking Lester Bird, Hector let fly a salvo at Dr. Patrick Lewis - an Antiguan far better qualified than he and an Antiguan who is a genuine historian, not the mock that Hector is. Hector can abide no competition from any quarter and he will stoop to any lengths to discredit any who stand in his way.

But for a man who can sink to murky depths, he displayed a particular enjoyment of the gutter in his "Fan The Flame" when he called the Prime Minister a "cuckold". This is a man who, some of his own followers claim, has made them cuckolds as Ellerton Jeffers, former editor of the Outlet, could testify. Hector should find only shame in attempting to demean others by describing them as victims of a vileness for which he has a particular taste. One wonders what political mileage he sought in this vulgarity and, upon examination, concludes that Hector is less the intellectual and more the scandal mongerer.

PATRIOT SAYS FAREWELL, NOT GOODBYE

The "Patriot" series has done its job. Serious questions have been posed about the role of the political parties in Antigua and Barbuda. Each party and their personalities have been examined in turn. The compelling conclusions is that the ACLM and Tim Hector represent an opportunity lost, the UNDP and Heath/Walter are a time bomb waiting to explode upon themselves.Thus the ALP remains the only viable option for this country, but if they are to continue to enjoy the confidence of the people, the process of reform which they have begun in the last three weeks must continue. Now they must closely examine the Union. For if they fail to continue to reform the party and the union, to make them more relevant and to give them a direction and a purpose which will benefit the people, the result may well be a feeling of resignation that Heath and the UNDP should be given a chance. That would be disaster for Antigua and Barbuda, but it would be fatal for the ALP's current leaders and their children and their children's children. It is up to those leaders to act together in the interest of the country and in their own interest.

"Patriot" will now say farewell, but not goodbye. As the situation warrants it, "Patriot" will return and none, who falter, shall be spared the might of his pen.

OUTLET on L. Bird's Position

St Johns OUTLET IN English 4 Jul 86 pp 1, 2

[Text]

Lester Bryant Bird, 49, and Deputy Prime Minister let fly a broadside against his colleagues and critics in his own tabloid bringing to a white hot heat "the carnival of chaos" (their phrase) in the Bird regime.

Lester Bird, made it clear, that he was "responding to another rash of rumours that: "Lester Bird hungry for power".

He also made it "pellucidly clear" that this was addressed to members of his own party who when he **returned** to Antigua and Barbuda "were then members of various other political parties and were actively abusing V.C. Bird". This was aimed at Minister Harris but more than Harris. He makes it clear that he Lester Bird, stood up, with V.C. Bird then, against his "today friends". Now the just comes, the parvenus as Lester Bird would say, **are trying to** set father V.C. Bird **against son** and heir apparent **Lester Bird.**

Lester Bird reveals even more. Says Lester Bird "I will state, without fear of contradiction, that I am the only reason why **others** have not tried harder to remove him. "Then beating his own broad chest, he proclaims. "Because they know that to remove V.C. Bird snr, they have to confront the spectre of Lester and that prospect looms too large before their eyes, for **any of them** to try it".

Thus we learn that there are elements within the ruling Labour Party willing "to remove" (it would seem by force) Prime Minister Bird, but it is "the spectre" of **Super-Man** in the wings which keeps them in check from attempting this foul deed.

Lester Bird leaves us in no doubt that he is not referring to the opposition, but to treacherous elements within the ruling ALP. Traitors on board, examine the horns.

These elements, says Lester Bird, who are within the ALP "make snide remarks out of his [V.C. Bird's] ear-shot, because they **lack the courage** to say how they feel to his face."

"My question is" continues Lester Bryant Bird, "which is worse - the son who tells to his father officially and behind closed doors that he disagrees, or the **former enemies**, now "friends", who **agree officially** and then whisper their **nastiness**".

Nastiness abounds. This is our government today. Riddled with "nastiness" at the highest level.

Continues Lester Bird, "Whenever I confront people in the Labour Party, or elsewhere, for their **weakness** and their ineptitude, for their **lack of committment** and their **infidelity** to the government, they run around **ducking for cover** . In trying to hide themselves, they seek to set up other targets to deflect attention from themselves. Thus, many have shouted for all to hear that it is, not **them** that 'Lester is attacking is he old man, he own father'. Their tactic is to convince the people of this country that when I, or anyone who supports me, questions the activities of the Labour Party, or its members, I am attacking the Prime Minister".

Thus we see that the ruling party is a pot-pourri of "weakness", "nastiness", "ineptitude" "lack of commitment", "senility", "infidelity" cowards who "duck for cover" like chickens in a yard when a plane passes overhead. What a comess!

What is clear in all this, is that this is aimed directly at Minister of Education Reuben Harris, "a today friend" of PM V.C. Bird, a former enemy, and who at one time "use to actively abuse the name V.C. Bird".

It is obvious too, it is aimed at more than Minister Harris because both PM Bird and Mrs Harris have publicly told the nation that Harris is not interested in the leadership "anymore", nor is he willing to make "the odyssey from Cabin to White House". It is "pellucidly clear" that Lester Bird is striking back in a two-fisted attack against Harris as a "bone-carrier" for **John St Luce,** who sits silent and innocent, waiting to pick-up the pieces after the contenders have finished off each other.

While it is not admitted, but goes down as a reply "by the Editorial Staff of the Herald" the hand is unmistakably that of Lester Bird. It is a most strong reply to Mrs. Harris, with all guns spitting fire and which must set both the Lester Bird faction and the Harris faction at greater odds. The Harrises must be "bristling" at this no-holes-barred attack in public by Lester Bird, at any rate, by Lester Bird's tabloid.

Indeed they are asked why are they still in the Labour Party and are invited to take their collective "upper-class" bundles and go. "Indeed", questions Lester Bird's tabloid "why is Mr Harris still associated with a 'little perk here and a little graft there'? Why is Mr. Harris and even Mrs Harris still meddling with "wheeling and dealing". They are publicly invited to leave the Party. It is most humiliating.

It is more than suggested that Harris does himself live in a glass house and thus cannot throw stones, "like a paragon of virture", at other corrupt glass houses in the ALP.

At another point, Harris is reminded that he is Montserratan and that Antigua "gave him prestige, position and a big house in exclusive Hodges Bay." The blows were being thrown fiercely and furiously. A knock-out is the likely result.

Nothing is spared and Mr and Mrs Harris are both indicted for Mrs Harris "being the head of a Department in the Ministry of which her husband is Minister". Sticking the knife deep between the ribs the article concludes: "In this regarad we hope Mrs Harris will equally welcome those who keep a watchful eye on the Ministry of Education, Culture, Youth Affairs, Sports, Women's Affairs, Carnival, Museums and Libraries". The listing of the entire Ministerial portfolio was a wicked barb, which cannot be elaborated on in print.

At another point in the same issue of the paper, Lester Bird, writing under the pseudonym "Patriot" says that his paper, **The Herald**, was founded because "of abuse from the Workers Voice." Of course, all criticism is construed as abuse of the corrupt ALP and its misleaders. Continuing the article reacts to and condemns "A vocal minority" (a not-so-concealed reference to Senator Bascus and Editor of the Workers Voice) "abusing" the Lester Bird faction. Says Lester Bird's tabloid issuing a clear threat to Bascus and 'the vocal Union minority' this "situation is **bound to create** more division and lead to the **creation of alternatives** to the Union's facilities". Apparently Bascus like Harris has his head on the block.

The ALP is trapped in its own "weakness", "ineptitude", "nastiness", attack and counter-attack, not to speak of its endless corruption.

The ALP, to use their own words, is truly "a carnival of chaos".

ATLU Reaction

St Johns THE WORKERS VOICE in English 5 Jul 86 pp 2, 5

[R.A. Bascus column "Frankly Speaking": "'PATRIOT' Take Up Your Pen Again!"]

[Text]

Well, well, well, between the Herald, Outlet, Workers' Voice and the UNDP my name is becoming a household word in Antigua and Barbuda, just like V.C. Bird and I am not even a real politician yet.

I listened to a public meeting sponsored by the United National Democratic Party in St. John's Street a few weeks ago, and every speaker had something to say about me and V.C. What better company could anyone desire, than being mentioned in the same vein as the Great Man, even though, like the Herald and Outlet everything said about me was either bad, terrible or worse. Anyway I am getting so much publicity now, even though it is adverse, that everywhere I go now people point me out and refer to me as the 'bad man' who is always picking on the poor defenseless Government Ministers and peaceful Dr. Heath.

I am one person, that believe if you write or say anything about other people you must be prepared to take the counter attack. That is why Lester's Patriot and I get along so well. Well Lester is the major shareholder in the Herald and Patriot is a columnist for the same paper. So if further on in this article I miss and refer to Lester when I should write Patriot just accept it as being one and the same person. Anyway I intend in this article to deal with Patriot's front page column in his paper of 27th June, 1986, with the section captioned - "AT&LU needs discipline".

First of all Lester, it is nice to see that you are concerned about the welfare of the Executive of the ATLU, in spite of you having got your Cabinet to make a decision that the "Union must never be strong again". Well, I have news for you, the ATLU is the strongest that it has even been for the last

20 years. This, in spite of all your efforts to weaken it financially and otherwise. I hope that you will never have occasion to call on me to prove it. The masses don't like to be 'dared' by their servants. Now back to your article.

The ATLU, earlier last year, made its 'love and marriage' relationship with the party very clear in a front page article captioned "Union and Government" which appeared in its publication The Workers' Voice. I am going to re-publish it for your benefit. You see the present Executive is not comprised of Comrades who would like the three monkeys, 'see nothing', 'hear nothing' and 'say nothing'. No sir, we offer you critical support. Praise you when you do good and constructively criticise you when you knowingly do wrong. We have no 'systemic weakness', whatever that means. I am tired now of you chaps comparing me to George Walter. I have never sought to remove any members of the Executive, nor have I attempted to promote myself above the Executive. Members merely laugh when they read your lame and futile attempt to sow disharmony among its members, like you have done with your Cabinet colleagues.

The ATLU Executive functions as cool as cucumber, except on the odd occasion when one of your 'bone carriers" attends meetings. Then he lectures us how important it is to always support you fellows, whether you are right or wrong. You know we not in that Deputy. As a Senator, I take orders from the Prime Minister and as a Trade Unionist, I take orders from the Executive. Something seems to be bothering you.

I have never on any occasion disobeyed the Executive's orders, nor have I ever attempted to overthrow any of the older heads. As a matter of fact I would be lost without the advice and directives given to me by the so-called older heads. You forget that I am just a 'green-horn' , plucked from the cane fields and placed into the un-familiar position of General Secretary, just three and a half years ago. Man, without 'old heads' as you refer to them, like Robinson, Carrott, 'House', John, Lewis, etc. the ceremonial part of the running the Union especially would have been non-functional long ago. My only job at the Union is to organize and represent workers. And the part which I think concerns you most, and worry you so much is that I am liking it more and more. So don't try to create confusion in our Executive. You are wasting your time.

When you state that I must first learn to follow before I could ever know how to lead, the first part is true, I am a good follower, even though I may still be learning, but I could never ever be a leader. I have neither the ability nor the ambition. After all I am only a Teacher Merle graduate.

Now Lester Patriot, I would like you to publish any personal grievance which I may have against any of you Ministers. I would really like to know. Apparently you think that the Minister of Labour may be one of your rivals to succeed the Prime Minister, so you are trying to make trouble between he and I. You mentioned I may not have liked the way he treated me in Geneva. Let me tell you now, Freeland is one of the nicest fellows to travel with. Cyril Cumberbartch would testify to that, we never had a hard word between us during our stay in Geneva.

As a matter of fact at the hotel where we stayed each room had in a computerized bar and Freeland made the mistake and opened his to us. Man, I don't know for Cyril but I nearly 'killed' the juices and sodas (I don't drink liquor) from it after discovering a little can of juice cost $3.00 U.S. The only thing got 'Dolly' a little annoyed is when going out for dinner in the evenings he expected me to put on my coat and tie and accompany him to all kind of foreign restaurants, Polish, Swiss, French and so on where you have to drink white or red wine first before you eat. A half glass of wine makes me tipsy. So in order to avoid the coat and tie business and drinking wine and eating strange food, I usually wait until himself and Cyril go to their rooms to bathe and change, then I would sneak out to an English or American restaurant where I would buy chicken, fries, hamburgers etc. That did not go down too well with Dolly, but what really made him agree for me to eat where I like, was when he invited me to go to a Chinese restaurant to eat and I declined. He wanted to know why, and I told him that I don't eat Chinese food because outside of mainland China, I have never seen or heard of a Chinese funeral. He sportingly gave up on me after that.

We had a great time together, not only in Geneva but also in England on our way back. So Lester, Dolly treated me very well. What got 'Dolly' mad was when I came back I dared to write that it was a waste of time going there for the short period in which we went, and we had to leave before resolutions were adopted etc. Well everybody knows that Freeland looks forward to this trip every year, so he was mad and said that he'd rather go alone than carry me again. I didn't mind so much because it could be very embarrassing to be a member of a delegation led by Dolly or Yearwood. You know what I mean Deputy?

Another point that confuses me Patriot, is the one where you say that because of the attacks on Government Ministers in the Workers' Voice that you had to form your Herald newspaper. How strange it is when on many occasions the Workers' Voice has been used to published articles by Government Ministers. Is it that your memory is so short Deputy? Remember on many occasions you personally have sent me articles and requested that they be given prominence, and they have always appeared as the lead story or at least printed on the front page. You know that the paper is opened to the pens of all Government Ministers for any article which you people want to publish. Not one party member nor Minister has ever had any article sent which was not published. It is strange that you publish the Herald to defend against the cowardly attacks on your nice Ministers, but yet in the same issue you resorted to one of the most low down and vicious attacks ever launched publicly on one of your Ministerial colleagues. As someone says, you need to be rescued from your brilliance.

Why you don't come out in the open and tell the public that you launched your newspaper for one reason and one reason only, to build up the image of Lester Bird and Lester Bird only in your almost obsessive quest to wrest power from your father. The awful truth hurts awfully, so the General Secretary will continue to write and be critical of anyone who deserves it until the Union Executive directs him to cease doing so.

So Deputy Patriot try and get your elected colleagues together so that you can 'count their heads' for if the Governor General should call on them tomorrow, you would be doomed. Study that, not the Union.

Criticism of HERALD

St Johns THE WORKERS VOICE in English 5 Jul 86 p 1

[Text]

This newspaper has become very concerned at the attacks made by Lester Bird and Robin Yearwood's newspaper the Herald on their ministerial colleagues, the Prime Minister and other party members. We view these derogatory and wanton attacks as being unnecessary and as aimed at promoting the image of one man, Lester Bird.

While we expect and accept the attacks directed at the General Secretary and the Union (after all Comrade Bascus speaks frankly, and Union members are willing to speak out on all matters with which they do not agree) we consider it in bad taste when the Herald attacks the Prime Minister, stating among other things that the party has no leadership among other things. They even attack members of his household. They attack their own colleagues because they formerly were associated to other political parties in the country.

They say that the pioneers of the ATLU had no principle nor policy, their only ambition was to obtain political power. How much lower can they get? We understand that the Prime Minister, who is also Political Leader of the ALP after the first article called on the 'Gang of Three' who own the paper to desist from publishing further articles which were clearly intended to divide the party.

They have ignored the Leaders' suggestion and have even become more vicious. Read their attack on the Minister of Education, in their June 27th issue. It is sickening coming from one's ministerial colleagues. The article implied that the Editor of this newspaper was responsible for an article which was too intellectual to have been written by him.

The Editor does not hide behind pen-names and ghost writers. He signs his name to all articles written by him except the lead story, which is considered as our editorial. The only times when it is not written by Robin Bascus is if he is out of this island. He writes so that the masses can read and understand. He does not use words that would "have broken his tongue to pronouce"

It would appear as if the "Gang of Three" is impatient for a show down. The Political Leader would be advised to keep a watchful eye on what is going on, and try to nip it in the bud. What ever happens the genuine Labour Party and the ATLU will remain, the others can go jump in the lake. The leader of the "Gang of Three" has stated publicly that he has been running the country for the last four years and would like the Prime Minister to take a back seat, so that he could run it for the public to see for the next two years so that when the time comes for a successor to the Prime Minister, there would be no doubt in anyone's mind that he was capable of holding the reins. A noble idea! But one filled with danger and pitfalls for the poor and working class of this country.

Comrade Leader, the ATLU and this newspaper urge you to continue to lead this country until the Master is ready for you. You really care for all the people.

Harris-HERALD Feud

St Johns OUTLET in English 11 Jul 86 pp 1, 2

[Text]

Some strange goings on continue to go on, among, in, and around members of the Bird government. Confusion abounds.

Up until recently, Lester Bird's tabloid, **The Herald,** was printed at the Antigua Printing and Publishing Co., which printery, has Minister of Education Reuben Harris as its principal shareholder. Arch-enemy was printing for arch-enemy. **Minister of Education** Reuben Harris and Deputy Prime Minister Lester Bird, are now daggers drawn.

In fact, Minister of Education Reuben Harris has taken out legal proceedings against Lester Bird's tabloid and so far has demanded an apology, or else he will institute libel proceedings against Lester's tabloid, The Herald.

Now the political tug-o-war between Harris and Lester Bird threatens to reach the Courts, unless the **Herald** apologises for its remarks contained in an Editor's note in a reply to a letter from Mrs Harris published two weeks ago. The "Editorial Staff" of the **Herald** had made allegations that Minister Harris had himself got a little "perk here and a little graft there" and made reference for some instance, with regards to what the Herald termed, Mr Harris "upperclass house in exclusive Hodges Bay.

It would seem 'that Mr Harris threat of legal proceedings frightened the **Herald.**

In their fright the Herald cancelled its headline story of last week which was headlined "**What is Reuben up to?"**

The Herald charged in its scrapped front-page, which it cancelled out of fear of Reuben Harris, that Reuben Harris had made "an emotionally charged speech" and that "Harris had launched and unbridled attack on the Herald Newspaper" at a Christian Street ALP public meeting on Tuesday 24 June. The implication was that Harris by attacking the Herald at an ALP public meeting was in fact attacking Lester Bird owner of the Herald. At the same time Harris heaped unbelievable and incredulous praise on PM V.C. Bird who Harris once said, was not fit to unbuckle his shoe.

The article in the scrapped Herald front page, also charged that Reuben Harris "was clearly consumed by emotions", perhaps insinuating that Reuben Harris was taking the Cochrane route.

At another stage in its scrapped Herald front page story the writers again assert "Earlier in his address when he appeared to have been in greater command of his senses". The article also asserted that the target of Harris "venom" was Lester Bird, who is widely believed to be the writer attacking the ruling ALP under the pen-name "Patriot". Said the Herald's first front page story 'He (Harris) left little doubt that the target of his venom is the "Patriot" (read Lester Bird).

At another point, the scrapped Herald front page story accused Harris of being "blood thirsty". The accusation of "blood thirstiness" against Harris is related to his call for "surgery in the party" at the same public meeting.

Asked the Herald in its cancelled front page "But how can this call (by Harris for reconciliation) be reconciled with this **blood thirsty quest** to "perform surgery"?

Lester Bird himself seems to have intervened to cancel the front page attack on Harris in the first article under the headline **What is Reuben Up to?**

Then the Herald changed tack completely and headlined another story on the same subject captioned **Reuben Supports Patriot** which appeared very late on Friday last.

Outlet eagerly awaits the apology from the **Herald** and wonders if the Herald in the meantime, its editor, printers (Reuben Harris) and Publisher (Lester Bird) ought not to be charged with "publishing a false statement likely to undermine confidence in the conduct of public affairs."

What would be strange is that Harris' printery would have to be cited as a defendant in the same libel suit brought by Harris against the Herald. Harris would be complainant and Defendant at one and the same time, while two ministers Harris in one instance and Lester Bird in the other would appear in Court against each other.

Sources close to Harris have told **Outlet** that he Harris was **not** called in by PM V.C. Bird and asked to "cool it". In those circumstances, the sources confirmed "Lester had better be careful, or he might lose all he gained from Antigua Asphalt and Co. Ltd.

ATLU Organ on Harris Letter

St Johns THE WORKERS VOICE in English 5 Jul 86 pp 1, 14

[Text]

Although the mouthpiece of the ATLU, the Workers' Voice newspaper, has over the last three years published all letters and other articles sent to the Editor for publication, once our legal adviser gives the green light from all possible libel or defamatory intent, two letters, one from a Minister's brother and the other from a Minister's son, with the clear intent to destroy our political affiliate were withheld by the Editor.

We have invited party members and especially Government Ministers to subscribe articles to the newspaper as they used to do when in opposition. This offer has seldom been accepted. On the few occasions when our pages have been used, they were used mainly by the Deputy writing from under the roof of one of his Beverly Hills type mansions in the Marble Hill area, and printed at Mr. Harris's printery where the Herald used to be printed until two Fridays ago when one employee had the audacity to print the peoples paper before that other tabloid belonging to Lester and his ruling class associates. The next week and subsequently it is being printed at Benjies Printery.

The Workers' Voice cannot afford to move to any other printery as the Mr. Harris's printery realizes that we are a poor union, and so make out with us. We are not financed by Lybia nor Bruce Rappaport, only by donations from our members.

We intended to publish the letter sent to us by Mrs. Harris in our Wednesday issue, but the author of it in a telephone call to the Editor, asked that it be withheld for our Saturday issue as it was originally sent to the Herald and copied to the Workers' Voice and she did not want us to publish it before them. We complied with the request. The Herald was unable to publish it because Lester Patriot was out of the island at the time. Both Barnes and Bowen dared not publish it until Lester returned, whereby he could reply to it at the same time.

A vicious attack on a fellow Cabinet Minister indeed. Imagine the Herald publishing that Harris was born in Montserrat. Minister Harris is quite capable of defending himself, but it worries the Editor or 'so-called' Editor as Tim refers to him, to see the Deputy saying that people 'no born ya' when he nearly crucified the Workers' Voice Editor for saying that his mentor and confidante Ronald 'Singh' Sanders wasn't 'born ya'. You can jump high or low Deputy, you could even long jump again, your pal Sanders Singh remains the only person to obtain citizenship of this country through the remarkable discovery of a 'lost and found' grandmother.

Again we want to make it quite clear that the columns of the Workers' Voice are opened to everyone including Ministers, the 'Gang of Three' and the 'Bone Carriers'.

/9317
CSO: 3298/516

LESTER BIRD PRAISED FOR ACHIEVEMENTS, COMMITMENT

St Johns THE WORKERS VOICE in English 28 Jun 86 p 7

[Article by "Political Analyst": "Support for Lester as Next P.M."]

[Text]

Much has been said of this so important National issue and I have not heard of any settlement or even a prudent compromise.

Let us first of all look at the question of Official competence and real ability. In 1976 after the Labour Party was popularly returned to power by Constituencies, it was only Lester Bird who was then and still is most eligible for the Deputyship of the Antigua Labour Party.

Lester was not made Deputy because of his name Bird or family ties but rather because of his expected accomplishments in the areas of Foreign Affairs and National Development the former well recognised and known among International Communities. In fact, he remained the chief spokesman for the Administration at all levels of representation locally, regionally and internationally.

Not one single MP or Minister of Government or Opposition criticised the then appointment in 1976. All well accepted his promotion , even the so called PLM and now UNDP or ACLM. There is no record of any opposition to his elevation as Deputy Premier and now Deputy Prime Minister.

The fact that one is a Minister of Government does not suggest that he will be a Prime Minister. It is very much more than that. Charisma is a necessary prerequisite along with natural and acquired leadership skills and qualities with a following.

We must look on the question of involvement and commitment. All the present self-nominated candidates are so full of his own self that only our God knows what would be next for all of us.

We must look on the seriousness of this so important National office and allow our constituencies to be our real guide inside and outside of the ALP.

The most suitable candidate on merits should be timely appointed by a pocess inside the Party to be endorsed by the Governor General.

I do not necessarily share the same wisdom or opinion as the "Patriot" in his/her article of the Herald issue of June 06, 1986 suggesting the ruling ALP Government considers Messrs John St. Luce and Adolphus Freeland each as Deputy Prime Minister. Why should we make this type of political accommodation? We surely have to consider the costs associated with this and other such decisions at all times. Considering the good gentlemen have been in Government for over (10) years should easily qualify them only as Senior if you will "inner' Cabinet Ministers and colleagues to the P.M.

This nation will agree that we are not about to carry any of our Politicians as Excess Baggage on our Public purse and to remind each and every one of them in and out of Government that they are the people's SERVANTS and not our bosses!

Leaders everywhere emerge like good processed ice-cream with most if not all of the skills and attributes with already marked contribution(s). In my view, the Nation would not require any Deputy Prime Minister at this time because of the present composition of the ruling Party and really save on our purse and in many other areas.

My question to the Nation and the Government is: Besides Lester Bird's direct contribution and efforts with his known colleague in and with his Ministry to our Economic Development what else has been achieved in that area on the recommendation and determination of any other Minister of the ALP? They have all had the opportunity to woo investors local and foreign on their many haughty and gleeful trips world-wide in the interest of Antigua and Barbuda via the appropriate Ministry and/or the Cabinet.

Call a Spade a Spade and nothing else. Let us be honest and not now condemn Lester for Antigua's Foreign Investment thrust for one providing some meaningful jobs for all constituents.

The Truth will out.

/9317
CSO: 3298/516

ATLU AGAIN CALLS FOR GOVERNMENT ACTION ON MINIMUM WAGE

St Johns THE WORKERS VOICE in English 28 Jun 86 p 1

[Article: "Raise the Minimum Wage Now--'While Nero Fiddles Rome Burns'"]

[Text]

The ruling Antigua and Barbuda Labour Party has been conducting political public meetings all over the country for the last four weeks. We endorse these meetings and indeed welcome them as we believe that they are long overdue. After all, the ALP has not peviously held a public meeting since its re-election to Government in February 1984. Even though the government controls the electronic media, the personal touch of a village meeting where representaatives come face to face with their constiuents, is much more effective politically, than a flowery speech from the remote and safe confines of an air-conditioned office or a TV Station.

During these meetings speakers have been reporting to the Nation of the enormous progress made by Antigua and Barbuda since 1976 when the ALP was returned to power after five years in opposition; facts no one can disprove. But there is a little more to good government than moving the country forward economically. The welfare and well-being of the masses must also be attended to. The A.T.L.U. has repeatedly called upon the Government to amend the Social Security or Medical Benefits Acts in order to accommodate our senior citizens, who were too old when those Acts became law and cannot at this stage fit into the jobs created in the manufacturing nor service areas of our rapid economic development.

The ALP has always boasted that the revival of the sugar industry was mainly to assist in creating employment for such people who were dislocated when the former administration unwisely closed the industry with the stroke of a pen. The ALP knew that it would not be an economically viable venture to reopen the industry, but the social aspect of it was uppermost in its mind; after all, these dislocated agricultural workers were once the backbone of the A.T.L.U. The sugar industry is no more.

Does the welfare of these workers mean nothing anymore to the present administration? Is there a new constituency of the well-to-do? Barbados Labour Party found the answer to this. Unfortunately it was too late. The Union has also insisted that the Company Law be amended so that in cases where companies declare bankruptcy or are liquidated then payment to employees should take precedence over all other claimants. The most recent example is the Biscuit Factory employees who have been left without their severance pay while the Company was allowed to pull up stakes and relocate in another country.

However, the A.T.L.U. is pressuring Government to meet the commitment to these workers as it is on the assurance of the Government that the Company would not be allowed to take its machinery out of the country without meeting its commitment to the employees. As a matter of fact, when the Union questioned the delay, a Government Minister promised that the possibility of the Government charging them duty on the equipment which came in duty free, and then compensate employees from the duty, would be explored. Inspite of all this the Company was allowed to pull up stakes and leave. Once again amend the Act to give workers first preference.

The A.T.E.U. has asked the Government to raise the minimum wage by the middle of 1986. The present minimum wage has been in effect since 1981. Employers are taking an unfair advantage of the situation. Workers are very concerned. It is no use seeking to find out what prevails in other islands. Fix our minimum wage to match our economic development. It is overdue. The workers' patience is running out. Act now. The Union is aware that the National Labour Board has already submitted its recommendations, and it has been before Cabinet now for over six months. It must be dealt with with the same speed and expediency with which concessions are granted to investors and over-night companies formed to exploit these concessions.

A stitch in time saves nine!

/9317
CSO: 3298/516

DEFENSE FORCE TRAINING, CAPABILITIES REPORTED

St Johns HERALD in English 27 Jun 86 p 10

[Text]

Just that morning, an entire troop marched right into the Lagoon in Codrington, and stood at attention in chest deep water for some time. Now they were sitting in class, boots soggy, clothes salty...learning the parts and purpose of a machine gun.

Others were still practicing from early morning the correct way of marching. Time after time as the drill Master shouted out instruction, the soldiers perfected their marching...and they drill until it is, indeed perfect.

Rising before 4:00 a.m., the soldiers begin their daily summer camp training. This is dedication. This is discipline. This is the Antigua/Barbuda Defense Force Women and men who are training to be capable of defending the twin island state, should the need arise.

Women and men are trained equally (the only difference being tents and toilets!) and marching in the hot sun all day or doing numerous sit-ups is not all there is to training. In two weeks some of these soldiers who are volunteers will go back to their regular jobs, but will still attend weekly meetings. The rest are regulars and the Defense Force provides their home, their salary, their clothing, and their recreation.

"Training Camps are not designed to be easy," explained 2nd Lt. Williams, "When one messes up, they all get punished!" Unity must be stressed, he said, because defense groups must work as a UNIT. One single error on the part of one person, could result in the death of an entire unit in a serious situation.

The troops' training consists of compass, reading, map charting, assembling and disassembling weapons, tear gas introduction, back packing, mock attacks, target practice and physical fitness. Mind over matter is stressed.

"People think they can go no further. Here, we push them a bit past what they think is their limit. They learn they can go as far as they HAVE to," Lt. Williams said. Soldiers who have the responsibility to defend a country must be physically and mentally fit.

In the Codrington Camp, there is a hospital. Said Corporal Webster, the camp Doctor, "We've treated several civilians here, for cuts, muscle pain...and yesterday I took a piece of cotton out of a little girl's ear!" The hospital is open 24 hours a day just as it would be in an operating Defense Camp, and a radio antennea set up to reach Antigua, maintains constant communication. A kitchen facility has been set up to provide nourishment for the hungry troops. (Spaghetti for lunch ...enough for an Army!).

Why was the Camp Ground set up right in Codrington as opposed to somewhere in the "bush" of Barbuda? "Because this is the first time we have gone into Barbuda, and I wanted to see the reaction of the people," answers Commander Clyde Walker, head of the Antigua and Barbuda Defense Force, "I also wanted to see the men build a relationship with the local people." Next year the camp will be set up outside Codrington. This is to be the first of yearly training sessions.

For the benefit of our readers, Major Walker explained the part that the Antigua and Barbuda Defense Force plays in the "Regional Security System". Belonging to the group under this system are Barbados, Grenada, St. Vincent, St. Lucia, Dominica, Antigua and Barbuda, St. Kitts and Nevis. The U.S. has also agreed to provide assistance.

Started approximately four years ago after Grenada's problems, under the MOU (Memorandum of Understanding), all these islands are committed to join together should any of them need Defense assistance. The CLO (Central Liason Office), is located in Barbados. There are Regional Security Chiefs and regular meetings to discuss security in different regions, Commander Walker said.

Special Service Units from St. Kitts and the US will meet under a program called UPWARD KEY, similar to the training sessions OCEAN VENTURE In Grenada, and EXOTIC PALM, in St. Lucia. In October, UPWARD KEY, will provide more advanced training with more advanced equipment, along with Naval and Air Force Training.

"We are doing this sort of training to make the soldiers more professional. We are now an independent country, and the Defense Force is wholely and entirely responsible for an internal and external defense," stated Major Walker, "Our primary role is defense of Antigua and Barbuda. The concentration is heavy on this type of training so that the Force will be efficient and in a position to defend the country in the case of any eventuality."

Let us pray that we will not need the service of our trained Defence Force. Nonetheless., it is assuring to know that they ARE THERE!

/9317
CSO: 3298/516

BARBUDAN SENATORS DISPUTE LEGALITY OF OECS TREATY

St Johns THE WORKERS VOICE in English 21 Jun 86 pp 1, 12

[Text]

Senator McChesney George, leader of the Opposition in the Senate, and Chairmman of the Barbuda Council Senator Nibbs condemned the fact that the articles setting up the 1981 treaty of the OECS States in St. Kitts was signed only by Antigua and not by Antigua and Barbuda. The Senators claimed because Barbuda was omitted, that Act setting up the Treaty was null and void.

Both Senators B. Percival and Bascus disagreed, and pointed out to the learned Senators that the signing was done before Antigua and Barbuda became a nation by that name and before that on dozens of documents the name Antigua always meant Antigua and Barbuda. Senators B. Percival and Bascus also called for a review of the immunities granted to personnel of regional Orgnizations, which seem to place some of these people outside of the customs and practices of member countries. The Bill was subsequently passed.

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CSO: 3298/516

BRIEFS

HARBOR PROJECT--St John's, Thursday (CANA)--The Barbuda Council is considering proposals to build a new $50 million (US) deep water harbour and marina, officials said. The project has come out of a two year study by Antigua Aggregates Limited. The company identified 50 acres of land at Palmetto Point on the southwestern tip of the sparsely inhabited 62 square mile island. At present ships use a seven foot sand dock three and a half miles east of the capital Codrington to bring in goods. Chairman of the Barbuda Local Government Council, Senator Arthur Nibbs said the council decided to ask the government to relocate the proposed harbour. The proposal is to build a deep water harbour 1,000 ft long with docking space and marina costing in the region of $50 million (US). [Text] [Port-of-Spain DAILY EXPRESS in English 18 Jul 86 p 14] /9317

CSO: 3298/516

DIPLOMATIC RELATIONS WITH CUBA OFFER TRADE PROSPECT

Brazil To Build Distillery in Cuba

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jun 86 p 4

[Text] Brazil may set up an alcohol distillery in Cuba, which is part of a process of economic cooperation that will certainly start between the two countries, as a result from having reestablished diplomatic relations. The information was released in Rio yesterday by a high government source. Construction of the distillery was also considered feasible by the business manager of Petrobras, Carlos Santana. He thinks the prospect of Brazilian cooperation is natural, but pointed out that this specific project can be perfectly carried out by private initiative.

"The private sector could think about making an investment in that sense. Cuba, as far as I know, does not yet have alcohol-engine cars, and we could export our know-how. Cuba could also, if they wish, use alcohol-engine cars, instead of buying oil from the Soviet Union on a larger scale," said Santana. As he sees it, another consequence of this reconciliation is that, "The two big producers of sugar, together with Australia, will be able to sit down at the same table and talk about the problems of international marketing without any intermediaries."

Stressing the importance of the trade that the two countries could have from now on, the manager of Petrobras praised the decision announced on the previous day. "In a world where the relationship between nations depends so much on business transactions, severing relations is a step backward," he said. "So this reconciliation can bring commercial and political benefits, as well as strategic ones."

Petrobras transportation manager and former minister, Maximiano da Fonseca said that the reconciliation can pave the way to economic cooperation. "On the part of Brazil, this represents a noble act taken by the Brazilian government," observed Maximiano. "We should not fear anybody when making the decision to reestablish relations with Cuba. There are no reasons for Brazil to be afraid to have relations with the nations it intends to cooperate with. I agree with the point made by the Foreign Relations Ministry that Brazil must have relations with all countries, on the obvious condition that they do not interfere in our problems and internal solutions."

In Brasilia, the president of the National Union of Industries, Albano Franco, requested a survey of the manufactured products exported to Cuba in the past 3 years in order to check receptivity to Brazilian industry. Among the first measures resulting from the reconciliation, Franco also intends to put SENAI at the disposal of the Cuban government so as to train the local workforce and enable it to operate the machinery that will eventually be exported to that country.

The president of Embratur, Joao Doria Filho, reported that only after a detailed study will it be possible to determine how tourism between Havana and the major Brazilian capitals will work. As he sees it, the first step will be the creation of an airline; he explained he had already discussed it with Varig.

Confirming the interest of that company, the vice president of Varig, Rubel Thomas, emphasized that no bilateral agreement has been signed between Brazil and the island governed by Fidel Castro. "It is a segment of the market we have already been working in for more than 2 years," said Thomas. "Of course, as there is no direct operations, we operate through three main links: Lima, Caracas, and Panama. To give an example of the potential of that route, we could say that on today's (yesterday's) flight to Caracas, we have 192 passengers going to Cuba on the Venezuelan airline."

The vice president pointed out that Varig is ready to initiate this route "as soon as the Brazilian authorities decide that this should be done." As he sees it, "diplomatic relations were already established." Thomas reported that in the past 2 years about 150 Brazilians per month traveled to Cuba.

Cubans Offered Interferon

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Jun 86 p 7

[Text] The first practical result from reestablishing diplomatic relations between Brazil and Cuba may be the importation of Cuban technology in the medical field by a company from Minas Gerais, for the the production of the drug Interferon, used to fight some kinds of cancer. Negotiations for the technological exchange were proposed to Havana's government by Bio-Quimica do Brasil (Biobras)--the only company that makes insulin in Latin America --and they may be completed by August, as far as the national company is concerned.

Yesterday, in Montes Claros--where the company is located--the director of research and development of Biobras, Marcos Mares Guia, explained that the proposal for the Interferon technology acquisition was made to Cuba's Center for Technological Investigation, which already carries out the process on a laboratory scale. If it is accepted, the negotiations will involve an additional investment of $1.5 million and will represent "the entry of the country into the field of the latest biogenetic technology, as well as the admission into the Brazilian market of a drug that can fight diseases that could not be fought before."

Still, according to the director of this company, Biobras will import the technology "as they please", be it through the payment of royalties or by exporting insulin to Cuba. "A small country like Cuba has from 100 to 300 million diabetics, and it does not make insulin, whereas Biobras in Montes Claros makes four times as much as Brazil needs; that is, we supply the needs of the national market and export the remainder," Marcos Guia pointed out.

The director of Biobras also affirmed that he is ready to travel to Cuba in August to discuss the negotiation terms, in case there is interest on the part of the Cubans.

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FACTORS RESPONSIBLE FOR SARNEY WINNING CONFIDENCE OF NATION

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 24 Jun 86 p 3

[Text] The most expressive political occurrence of the new republic, established for 1 year and 3 months, is found in the unquestionable leadership that President Jose Sarney has gained. Before February's economic changes, but especially after them, the chief of the government started to have the confidence of the nation. Without charisma or demagogy, he is respected, heeded, followed, and understood. This situation has not occurred for 25 years, since Janio Quadros blighted the national hopes, resigning from the presidential office.

The foundation of Sarney's popularity lies basically in the widespread recognition in the public opinion that he is someone eager to do things right, by scrutinizing them, facing and trying to solve the serious conjunctural and structural problems of the country. His affinity with society is due to the fact that he is a common man, never a superman or some messiah-like individual who is destined to impose personal or group solutions. The contrast that, either consciously or unconsciously, the nation has drawn between him and his predecessor, General Joao Figueiredo, also helps define him.

This is also true of the concepts of the new and the old republic. The time of inequity, corruption, and dominance of small cliques around the Palacio do Planalto has ended. As well as the time of indolence. At the core of the authority is an ordinary citizen who works, who extends himself, who has doubts and does not hesitate to change courses, if the change is important in order to break logjams in politics, the economy, and in social affairs. Confidence has replaced disinterestedness, just as respect for democratic forces has replaced despotism.

The choice for the welfare of society, the decision to begin basic reforms, the respect for the law, the courage to face inflation, the determination to keep the economy growing, the consequent decrease of unemployment rates, the detachment from political passions, the treatment of the external debt issue--these are some of the factors responsible for the alliance between society and government, notwithstanding the serious difficulties and the obstacles still to be overcome.

What is significant is that, during the growth and final establishment of the president's leadership, leaderships once standing on the same level as his are disappearing.

The November elections hold all the political attention. Never in the country's electoral history has there been such expenditure and influence from economic powers. Political parties, on the course of terminal implosion, are less and less representative. Caught in a dance of slogans, which would be comical were it not tragic, they are being replaced by people or by factions. What is discussed most, even before any speculation on realigning the political parties, is the formation of the "Jose Sarney bloc".

The government is interested, though not publicly, in forming a group of deputies and senators who, rather than belong to the PMDB, PFL, or even to the PDS and other smaller ones, will be joined in supporting the government's interests, helping fulfill the president's plans and projects, and writing a constitution in accordance with Sarney's tendencies and needs. It is obvious that they are also eager to stay close to power, taking advantage of its benefits. This group would be the embryo of a new party, to be formed after the work of the Congressional National Constitutional Assembly, which will be active as of February. Such is a sui generis aspect of our reality, which can only happen in Brazil; the National Constitutional Assemblies, according to the letter of the law, only meet after the previous juridical institutional order has been revoked. For us, it will be different.

Constitutional powers are in full action, and so will they be for as long as the Assembly is working. Through one of these Brazilian "little ways", a formula likely to protect everybody's interests was found. The president's, even having been elected by the spurious rules of the deposed dictatorship. The Congress', since, instead of being convened soon after 15 April 1986, interrupting the current mandates, the National Constitutional Assembly ended up being convened at the beginning of the new mandates; of the several institutions in force in the past, that now have time to protect their interests.

There will be more than one constitutional congress change the present Constitution, in 1987, despite constitutional formalism and liturgy. Nothing truly new will come out of their work, but is that not exactly what the nation desires? Probably, since the divided leftist groups of so many leanings, no matter how much noise they make, will not get more than 15 percent of the next parliamentary representation. The so-called Sarney group, gathering moderate leftist, central-leftist, middle-of-the-road, and liberal tendencies, will make sure that, even with considerable structural reforms, the balance of the powers' standing in society will not be upset radically.

Among us, there is no prediction that can resist the new facts for longer than a week. The imponderable and the unusual are constantly present in our political life. To speculate about what will happen after the new Constitution is issued, that is, after making a clean copy of the present one, seems like an inconsequential adventure. First, we will need to know the length of President Jose Sarney's mandate. If 4 years, we will have presidential elections in November 1988. If the 6-year term prescribed in the present Constitution is sustained, the elections would take place in November 1990. The answer can be in the middle, that is, deciding on a 5-year presidential term, which would be a return to the constitutional tradition initiated in 1946 and interrupted in 1964.

Sarney has declared a number of times that he will not accept the reelection, although he grants the National Constitutional Assembly the right to establish it. Only he will not run for a new term. However, he will not miss the opportunity to direct his own succession, no matter when it may happen. Frequently, intentions are opposed by facts; that is, Sarney's reelection is not so remote, especially if his term is limited to 4 years. Everything will depend on the state of affairs, starting with the economic changes, the feasibility to carry out others, such as the agrarian, the administrative, the urban, and the bank system reforms--either on the agenda or already on their way. If this were the moment to decide, for whom would one vote for president?

From among the candidates that were mentioned some months ago, there is none left. Ulysses Guimaraes, Franco Montoro, Leonel Brizola, Aureliano Chaves, Marco Maciel, Iris Resende, Helio Garcia.... For the time being, only Jose Sarney himself remains.

13163/9871
CSO: 3348/150

PRIVATE SECTOR INVESTMENTS RISE 23 PERCENT BETWEEN JANUARY-MAY

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Jul 86 p 32

[Text] Private sector investments increased 23 percent between January and May this year in comparison to the same period in 1985, whereas public investments decreased 21 percent. Diversified fixed investments had an increase of 19 percent and investments in financial strengthening and improvement decreased 60 percent. This information was given by the acting president of the National Bank for Economic and Social Development (BNDES), Andre Franco Montoro Filho, yesterday at the monthly Industrial Policy State Council (COINED) meeting of the Science, Technology, Commerce and Industry Board of the State of Sao Paulo.

The BNDES admits that in the second semester public investments are likely to be higher than those of the private sector--the Special Department for Control of State-Owned Institutions (SEST) has not yet finished the 1986 budget for those they control--which is also likely to raise the volume of investments in financial improvement. However, based on consultations made at the bank, Montoro Filho affirms that productive investments increased more than 20 percent in the first 5 months of this year--an improvement of 11 percent only in the operations authorized by FINAME, Special Agency for Industrial Financing.

"Currently, industry has gone beyond the stages of reoccupation of facilities capacity and modernization of the industrial pool, and is now ready to start enlarging plants, especially in the chemical, petrochemical, textile, paper, and cellulose sectors," claimed the BNDES acting president. As of May, the bank has disbursed 9.65 billion cruzados from the 40 billion cruzados of ordinary resources of this year's budget. This represents a real decrease of 1 percent in comparison with May 1985 (a nominal growth of 210 percent), but the increasing number of consultations will demand a funding supplement, which, according to Montoro Filho, is likely to be defined by the end of July.

Priority: Energy

"FINAME alone authorized 4,329 operations in May, a volume that surpasses the record of 3,248 in December 1976. By 19 June more than 3,000 operations had been authorized by the agency," informed Montoro Filho. There are currently 120 industrial projects authorized by BNDES, which represent 25 percent of the total number of products being evaluated by the bank. As for the number of consultations made from January to April this year, the number was 33 percent higher than in the first 4 months in 1985: a growth of 92 percent in the number of projects considered a priority.

Montoro Filho believes that funds will be sufficient for the public sector, "although the budget is tight." The utilities sector alone will receive 1.5 billion cruzados for civil construction projects. Including investments in machinery and equipment, the sum BNDES will appropriate for this sector is likely to be more than 3 billion cruzados. The energy sector is one of the priorities of the bank this year, since "if it does not get the necessary investments, it may be the bottleneck of economic growth." The BNDES, together with Electrobras [Brazilian Power and Light Company] and Petrobras [Brazilian Oil Company], is doing a survey so as to determine the needs in this sector. The qualitative analysis, according to Montoro Filho, will be presented to President Jose Sarney at the end of this month, and by October the study will be finished.

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CSO: 3348/150

BRIEFS

PCBR BANK ASSAULT MOTIVE--Yesterday former Air Force Sergeant Antonio Prestes de Paula confirmed, in Salvador, that the money obtained through the bank robberies by the group in charge of the Revolutionary Brazilian Communist Party (PCRB) would be used in the armed fight to overthrow the regime. Nevertheless, until the fight could be started, the money would be invested in the creation of small businesses in several regions of the country, so that the capital would be accrued for the formation of a "revolutionary vanguard". Prestes de Paula claimed responsibility for the robbery at the Banco do Brasil in Cachoeira, 1 year ago, and at the bank's branch on the campus of the UFBA, last April. He said that there were plans to carry out other holdups in the future, and denied, appearing to be offended, the accusation made by the police that the group was responsible for the robbery of the residents at the Santo Inacio Condominium, in Salvador. Unlike his accomplices, who at the military court claimed to have received bad treatment during the interrogations by the Federal Police, Prestes de Paula did not refrain from complimenting the federal agents. He said they were all young, with methods unlike those of the past decade. He declared himself disappointed with the leftist parties and groups in the country that chose the "electoral way" to change the regime. He criticized even the PCBR's course of action, "with which he had already been in disagreement for some time, because instead of organizing the workers for the fight, they were thinking about elections." [Text] [Sau Paulo O ESTADO DE SAO PAULO in Portuguese 28 Jun 86 p 10]
13163/9871

CSO: 3348/150

FINANCE MINISTER FORESEES 4.5 PERCENT ECONOMIC GROWTH IN 1986

Santiago TERCERA DE LA HORA in Spanish 9 Jul 86 p 10

[Text] Minister of Finance Hernan Buchi told 300 businessmen during a working breakfast on 17 July sponsored by ICARE [Chilean Institute for Rational Business Administration] that the Chilean economy will grow by about 4.5 percent in 1986. In referring to the macroeconomic program now being implemented, the minister indicated that unemployment will be around 11 percent and that inflation will be in the range of 15 to 20 percent. At the same time, he reported on the state of the Chilean balance of payments.

About 80 percent of the goal of the merchandise balance of payments has been fulfilled, and the international reserves exceeded the limits agreed to by the International Monetary Fund by $100 million.

Jobs

Nevertheless, Minister Buchi recalled that with regard to jobs there is much seasonal labor, particularly on the farms and in the construction industry. He indicated that the government is projecting a seasonal increase in the unemployment rate, which fortunately has not yet taken place. Regarding social programs (the PEM and the POJH), he pointed out that these involve about 5 or 5.5 percent of the working force, a figure which is very similar to the level during fiscal year 1980.

Regarding the foreign debt, he pointed out that this was restructured for the fiscal years 1985-86-87 and that the fresh resources required for next year are within the range of what can feasibly be obtained. At the same time, he reported that through the transfer of debt instruments and renegotiations of debt by private companies the foreign debt has been reduced by $700 million. The minister stated that the government's goal in this respect is to reduce the foreign debt by $1.0 billion over a period of 2 years. This figure will probably be achieved.

After reviewing the policies adopted to deal with the economic crisis, he declared that the determination and the capacity of the country to handle the situation has generated an increase in internal and external confidence, which in turn will make possible the early resolution of future problems. He emphasized that this has been achieved in a context in which the first results of the program of structural adjustment are being noticed. These adjustments will ensure sustained economic growth over the medium term. A process of import substitution has taken place in the Chilean economy, stimulated by foreign exchange and tariff policy, specifically. He pointed out what had happened in the field of agriculture and industry. On the other hand, the physical volume of exports of copper and non-copper products has continued to grow. Investments in fixed capital, after declining during fiscal years 1981, 1982, and 1983, experienced a growth of nearly 15 percent in 1985.

Investment and Austerity

Later in his speech Minister Buchi presented an economic analysis covering the next few years, indicating that we cannot lose sight of the fact that external conditions continue adverse, mentioning what has happened with the depressed price of copper. He pointed out that, "Therefore, the fundamental challenge is to increase exports." To do this, the government will not change its basic policies of maintaining a high, real rate of exchange and promoting savings and investment. In this respect he pointed out that we need to move from a rate of investment of 15.7 percent of GNP to rates higher than 20 percent. This policy requires austerity in current expenditures by the public sector and in private consumption. Buchi indicated that for this reason a number one priority has been assigned to the principal objective, which is generating employment.

The minister told the businessmen during his speech that the private sector has a major task in front of it in providing dynamism to economic activity by identifying profitable projects which will make it possible to increase exports and generate more productive employment. Buchi indicated that the government has taken appropriate action in this regard and has approved the necessary, stimulative action for the private sector to play the major role which will assist it in the development program now being implemented. He concluded: "The best way to support the private sector is by demonstrating that it is capable of providing a dynamic thrust to the economy, achieving increases in the people's living levels over the medium term."

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CSO: 3348/701

STATE-OWNED FIRMS TO INVEST $13 BILLION IN NEXT DECADE

Santiago TERCERA DE LA HORA in Spanish 9 Jul 86 p 11

[Text] The principal state-owned companies will invest more than $13 billion over the next 10 years, which will make it possible to improve the situation facing Chilean industry.

This was stated on 8 July by Ljubomir Zaninovic, the executive secretary of the Commission on Capital Goods of CORFO [Production Development Corporation], in the course of a discussion with economic journalists.

The executive secretary indicated that "the information which we have on hand indicates that about 18 of the largest state-owned companies will undertake annual investments in the order of $1.2 billion. To this total should be added the investments made by CODELCO [Copper Development Corporation], which have not yet been worked out in detail.

He also said that the operating costs of each of the state-owned firms should be added to the total, which will constitute substantial support for the country's economy.

He stated that it is estimated that about 60 percent of these investments will be made in the form of domestic purchases, pointing out that "this means greater activity on the domestic market, encouraging production and jobs."

Zaninovic pointed out that the private sector has a major responsibility in this area, since it is this sector which should expand production to make its best products available and, if possible, to export goods of high aggregate value.

Publications

The executive secretary also reported that CORFO is preparing a series of publications to help the private sector.

In the first place, it has already published a list of the orders for capital goods from companies under CORFO, a report which covers "the requirements for capital goods, including engineering and assembly work, of state-owned firms in connection with their investment program."

Another document which will be published in July is the so-called "function purchase of state-owned companies," which will make it possible to acquaint private companies with the mechanisms by which large companies carry on their operations.

Finally, the executive secretary said that a calendar of purchases and invitations to bid is being prepared for the companies in the state sector. In this way companies will know of the dates of proposed purchases, and the items of which they consist will be made clear.

5170
CSO: 3348/701

BRIEFS

NO MASS PRIVATIZATION ANTICIPATED--General Fernando Hormazabal, minister and executive vice president of CORFO, has pointed out that there is no desire to carry out a massive privatization of state-owned business firms. He made this statement at the end of the meeting held on 17 July with representatives of the private sector. The minister pointed out that neither is there any intention to privatize the oil refineries of ENAP, Concon, and Petrox. As is known, the whole situation concerning ENAP and the oil refining sector had led to concern among the workers, who had pointed out that these companies, because of their basic and strategic character, could not be turned over to the private sector. In this respect General Hormazabal pointed out that he is a member of the Board of Directors of ENAP and that he is not aware of any proposal in this respect or any study related to such a matter. He took advantage of the occasion to reiterate that neither is the government considering carrying out a massive auctioning off of state-owned companies and that only the State Railways and EMPREMAR, the state-owned shipping company, are in the early stages of carrying out basic studies where the possibility of the privatization of both of them would be considered. On the other hand, the vice president of CORFO pointed out that during the period 1986-94 state-owned companies will undertake investments of $12 billion, a figure which includes expenditures on equipment, spare parts, and capital goods. Regarding the 1986-89 period, he pointed out that the investments to be made will amount to about $3.0 billion. [Text] [Santiago TERCERA DE LA HORA in Spanish 18 Jul 86 p 17] 5170

CSO: 3348/701

STUDY RECOMMENDS MEASURES TO CUT UNEMPLOYMENT; OTHER COMMENTS

Changes in Country's Labor Reform

Cali EL PAIS in Spanish 25 Jun 86 p A-2

[Text] Bogota, 24 Jun (Colprensa)--The Chenery Mission, which was set up by the Betancur administration to develop strategies to decrease the high rate of unemployment, revealed its preliminary conclusions today, including complete labor reform in the country.

Juan Luis Londono, secretary general of the commission, said that the 250-page summary will be delivered to the government in mid-July 1986, when it completes its commitments to the state. Betancur's administration ends on 7 August.

The study, contracted for in January 1985, comprises four important chapters which conclude that Colombia's unemployment problem is macroeconomic in nature.

Londono explained that the problem is in no way due to factors which are preeminently demographic or educational as one might "readily" think.

The Chenery report concerns itself with the history of employment, the labor market, the institutional system, and an explanation of the macroeconomic problem.

The Chenery Mission, which is named after its adviser, U.S. Prof Holly Chenery, concentrated its efforts on 24 studies of different entities such as decentralized institutes, labor and university organizations, and economic associations.

About 100 persons participated in the project which cost 50 million pesos, according to the estimate of a Colombian expert.

The report is two-thirds complete.

In any event, the diagnosis, conclusions, and proposals are fully documented.

Reform

Although secrecy was maintained concerning the specifics of the mission, the secretary general observed that the project comprises factors inherent in social benefits, social security, and employment.

Hernando Torres, director general of the National Employment Service (SENALDE), added that emphasis will be placed on the retroactivity of unemployment benefits and abolition of private employment bureaus.

Consideration is being given to the adoption of an employment code to supplement the Substantive Labor Code, revision of the social security system, and the possibility of establishing unemployment insurance in the country.

These measures are in addition to programs undertaken by this selfsame legislation such as the restructuring and strengthening of SENALDE, SENA, Social Security, and other state entities which are involved in social security.

'The Superwomen'

Londono emphasized that if the study is adopted in 1990, the rate of unemployment will drop 8.5 percent.

He recalled that Colombia has the highest number of women participating in the labor force of Latin America.

The increase in the number of women in the workforce during the last 10 years was concomitant with increased pay for women. For example, 10 years ago a man earned 2.5 times as much as a woman; today the differential has been reduced to 1.3.

He noted that the phenomenon is lesser that what is happening in the United States, which indicates that our women are "more modern but continue to be more fragile."

Contrary to what is believed, the problem of unemployment is more in evidence among the population segment with high school educations (60?) rather than in the professional sector.

Education has developed explosively in large part because the regularization of the structures relating to entry into the different educational levels is being achieved.

He added that 10 years ago a person with a university education earned the equivalent of 8.5 minimum wages; at present, he is receiving barely 4 minimum wages.

Joblessness and Unemployment Benefits Debate

Bogota EL TIEMPO in Spanish 27 Jun 86 p 10-D

[Article by German Navarrete]

[Text] Last night, Jorge Carrillo Rojas, minister of labor, proposed to the country's employers and trade union leaders "a major national debate on on unemployment during which, if necessary, there will be discussion of the retroactivity of unemployment benefits."

Carrillo Rojas said that he accepted the challenge thrown down by those who feel that retroactivity of unemployment benefits is one of the principal causes of the lack of stability for workers who have over 10 years of service in the enterprises and acknowledged that "it is urgent for employers and trade union leaders to talk about these and other matters which are a cause of concern for anyone who now has a job but much more so for Colombians who are not fortunate enough to have a job."

Minister Carrillo, in whose voice indignation was evident, commented on the charges made against him by the president of the UTC, Victor Acosta Valdeblanquez--who, according to Carrillo, stated during a recent press conference that "it was better to have a reactionary minister than a worker minister," because of the way in which the minister had handled relations with the workers--and said, "Fortunately that is the opinion of one person and not that of the Colombian workers."

However, Carrillo conceded that some of the leaders of the Union of Colombian Workers (UTC) are not in agreement with him "because I did not permit abuses of the workers, nor massive layoffs" and felt that "regretfully it is an example of the egoism and envy of those who look with disfavor upon the fact that a worker has played an important role in the country's labor history."

He announced, "I have no reservations about speaking openly in this manner because with the expiration of the government's term on 7 August my trade union career also ends. At all times since I assumed this position, more than as a labor leader I took it upon myself as a government official to seek solutions to the country's worker-employer problems. I will leave this post with my head held high, not to seek any sinecure for what I have accomplished but rather to tell the Colombian workers that the time has come to make a generational change in the country's trade union leadership so that those hundreds of young people who are looking for a way to contribute to the resolution of labor problems will recognize the propriety and importance of advancing the idea of having a single trade union confederaion in Colombia."

Carrillo made these comments after meeting with the Evaluation and Analysis Labor Committee of President-elect Virgilio Varco, parliamentarians Alberto Santofimio Botero and Cesar Perez, who were accompanied by jurist Jose Granada Rodriguez, then said:

"I do not have the slightest intention of contending for the presidency of the UTC with Victor Acosta. Nor do I presume to believe myself the leader of a big labor confederation in Colombia. The only thing I do believe is that workers and employers should sit down with the government to seek a definitive solution to the extremely serious problem of unemployment, because while those who have jobs are satisfied, there are 1.5 million of our countrymen living in poverty and, worst of all, without hope of getting a job that will at least permit them to feed themselves."

When asked whether as a party to that dialogue he felt it worthwhile to discuss the factor that is of greatest concern to employers, namely the retroactivity of unemployment benefits and its economic effect on the financial situation of the enterprises, the minister said:

"I share the view of the country's trade union leaders in the sense that it is impossible to renounce any gain which has meant economic well-being for the working class. But at the same time I am concerned by the 1.5 million Colombians who for want of a solution to worker-employer differences cannot find a job; I am concerned about peddlers; I am concerned about persons who are forced to accept temporary jobs without receiving the same social benefits as those who have a permanent job. I do not know what they are all thinking; however, I am sure of one thing: They deserve having the rest of us Colombians seek solutions which will lift them out of poverty and having the country once again generate the employment it urgently needs."

8143/12851
CSO: 3348/664

INCOMEX HEAD ON FAR EASTERN INVESTMENT INTERESTS

Cali EL PAIS in Spanish 25 Jun 86 p 3-A

[Text] Bogota, 24 June (Colprensa)--The national government revealed today that industrial groups in Japan, China Hong Kong, and Korea are interested in investing in Colombia, taking advantage of the benefits of the new free zones legislation and "the country's excellent macroeconomic management."

Nohora Rey de Marulanda, director of INCOMEX, has reported that recent visits to the Far East by the Joint and Free Zones Commission have opened the possibility of introducing large amounts of Colombian coffee into the Asian market.

"In reality, these commissions have opened major possibilities for national products and for the attraction of foreign investments," this official said.

Free Zones

This official explained the enormous interest of Far Eastern investors in setting up enterprises with national manpower and raw materials in free zones.

She said that Japan wishes to export capital, in view of its surplus trade balance of nearly $30 billion.

Similarly, Hong Kong industrialists have shown interest in diversifying their investments, in view of the changed situation of that world trade center in 1990.

The director of INCOMEX said that during the visits, emphasis was placed on the existing positive image of Colombia.

"They have confidence in Colombia because it is a democratic country; because it has changed presidents without trauma; because of its magnificent macro-entrepreneurial program; because it has no foreign debt problems; and because there are no differences of any kind with the banks in this region of the world," Rey de Marulanda said.

She stressed the new Colombian legislation on free zones and said that "it is even better than that of some developed regions."

On other points, the INCOMEX director revealed that the export of 10,000 tons of bananas had been finalized.

"Coming from the other direction, they have offered us engineering services on favorable terms and with advanced technology. I told them that there is a bid system in Colombia and that their proposals would be welcome."

Finally, she noted that the process of integration with the commission appointed by President-elect Virgilio Barco Vargas is progressing satisfactorily.

"The best thing that has happened in INCOMEX during the last two years is systematization, and, therefore, I am proposing that the new government supplement this process," the official said.

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COLOMBIA

BRIEFS

JOINT COMMISSION MEETING IN BEIJING--The meeting of the first Joint Commission established by the accord signed in 1981 and approved by the congress of the republic in 1983 ended successfully yesterday in Beijing. The meeting was chaired by Gustavo Castro G. and Zheng Toubin, minister of economic development and minister of economic relations, respectively. In addition to Minister Castro Guerrero, the Colombian delegation consisted of Dr Nohara Rey de Marulanda, director of INCOMEX; Fernando Barbosa, director of PROEXPO for the Far East; Hector Trujillo Velez and Claudia Lequerica de Gerlein, representing the free zones; Jorge Hernan Osorio, of the National Confederation of Coffee Growers; Ricardo Gutierrez, of the Greater Colombian Merchant Fleet; and Lazaro Mejia de Uniban. After evaluation of the development of trade and of all the economic and technical cooperation agreements signed since 1980, a year in which diplomatic relations between the two countries were renewed, the representatives of both governments expressed their satisfaction with the results obtained thus far and agreed to proceed with identification of fields of action which will permit the further tightening of the bonds between China and Colombia. During the talks, emphasis was given to the supplying of Colombian bananas through UNIBAN totaling 10,000 tons this year and the public works executed by Chinese dredges for ECOPETROL. [Text] [Bogota EL SIGLO in Spanish 14 Jun 86 p 12] 8143/12851

CSO: 3348/664

PPC LEADER OUTLINES ACHIEVEMENTS, TASKS AHEAD

PA301602 San Jose LIBERTAD in Spanish 20-26 Jun 86 p 7

[Excerpts] Manuel Mora Valverde, secretary general of the Costa Rican People's Party [PCC], harshly criticized the unpopular and unpatriotic policy imposed on Costa Rica by the IMF, and stressed the need for the working masses to organize and struggle to eliminate the measures of poverty and ruin implemented by the government.

Manuel Mora was the main speaker during the celebration the 55th anniversary of the PPC on Saturday, 14 June, in San Jose. Next to Manuel Mora, the party's founder, were Companeros Eduardo Mora, assistant secretary general; Lenin Chacon and Jose Marino, members of the Political Commission; and Oscar Porras, Panfilo Ulloa and Ilena Madrigal, in charge of the national finance commission, the regional commission of San Jose, and the JPC [expansion unknown], respectively.

Manuel Mora, leader of the People's Party, said that the IMF is the boss in Costa Rica and he accused that financial institution of ordering the price increase of staples, the dismissal of thousands of government employees, the freeze on wages, and more taxes for the people. Manuel Mora said that until the problem of the foreign debt is handled with patriotic spirit, the situation for the country and the workers will worsen each day. He mentioned the fact that just to pay the interest on the debt, the country has had to use the income from the main agricultural export products (coffee, benanas, sugar, meat, and cocoa) and this is still not enough.

"Now it looks as if we were bought for $40 million. The IMF lent us that amount, but the government has had to increase the price on rice, beans, corn, wheat and other things, and it has had to agree to a wage policy unfavorable to the workers," Manuel Mora said. Mora added that at the end those millions will not stay in the country, since we are asking for loans to pay the interest on previous loans, the indebtness spiral is enslaving Costa Rica and hunger is knocking at the doors of the Costa Ricans.

In evaluating 55 years of struggle, Manuel Mora said that the party has a record of struggle, sacrifice, and achievements. The labor law obtained thanks mostly to the People's Party effort, substantially modified living and work conditions, the workers' struggle conditions, social conditions income tax, the law for lower prices on homes, the house rent law, and other things, which represented profound and positive changes for Costa Ricans. All this was achieved thanks to the struggle carried out by the communists.

Without the presence of our party in Costa Rica's social and political life, Manuel Mora said, the workers, the peasants, the middle class, would not have made many of the gains they are benefitting from today. He added that those gains, although important, are not fundamental. What is fundamental is the state of revolutionary awareness that the party has managed to promote in advanced sectors of the Costa Rican people, and the idea which has penetrated key sectors of the Costa Rican society that it is possible to struggle for profound changes in our country, that we are part of a world in revolution whose future will be socialism.

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CSO: 3248/584

PRIESTS ANNOUNCE SOLIDARITY WITH NICARAGUAN CHURCH

PA211935 San Jose LA REPUBLICA in Spanish 11 Jul 86 p 9

[Text] Deeply concerned over the harassment to which the Nicaraguan Government is subjecting the Catholic Church and its representatives in Nicaragua, the Costa Rican Episcopal Conference, which is made up of Msgr Roman Arrieta Villalobos, archbishop of San Jose, president; Msgr Antonio Troyo Calderon, secretary general; and bishops Msgr Jose Rafael Barquero, of Alajuela; Msgr Alfonso Coto Monge, of Limon; Msgr Ignacio Trejos; of San Isidro de El General; and Msgr Hector Morera, of Tilaran, has issued a communique, the key portion of which reads as follows:

"L. The Costa Rican Episcopal conference expresses its full solidarity with the sister church of Nicaragua, its genuine pastors, and all faithful in communion with it, who are demanding respect for religious freedom in order to be able to fulfill their unavoidable duty of spreading the gospel, the most sacred duty entrusted by Christ to the apostles.

"There is no religious freedom when rites are allowed to be performed inside temples only, and the church is prevented from fulfilling its prophetic mission through the communications media and other means.

"There is no political freedom under a political system when the only things allowed to be expressed are those which are pleasant to the ears of government leaders, or that do not raise questions about any of their actions or decisions which are not in keeping with the Gospel and the inalienable rights of human beings recognized by all peoples of the world who respect freedom. This would entail a complete and brutal subjection of the church to the government and an absolute mockery of Christ's commandment "to render unto Cesar the things which be Caesar's, and unto God the things which be God's." (Luke 20:25)

"2. It vehemently and firmly urges the Nicaraguan Government authorities to permit the immediate return of Msgr Pablo Antonio Vega, bishop of Juigalpa; and of Priest Bismarck Carballo, close aid to Cardinal Miguel Obando y Bravo. Such a gesture would be a positive step toward the normalization of relations between the state and the church in Nicaragua, which would be highly beneficial to all.

"3. It sincerely urges all other episcopal conferences in the world to also express their complete disapproval of actions which entail an open persecution of the Church by the Nicaraguan Government. Actions like the ones we are denouncing are opening the eyes of the free and democratic peoples of the world who have been supporting Nicaragua, making them realize that it is not possible to continue supporting a regime which, pretending to be democratic, violates religious freedom and many other fundamental rights of man, who was created by Christ in His image to be truly free.

"4. Like the early Christian community, which, during the most dramatic times of persecution and killing, redoubled its prayers to the Lord to give it strength, fortitude, and freedom, we vehemently urge the Lord's pilgrims in Costa Rica to join in a prayer to Heaven to ask for courage and fortitude for those who are enduring systematic harassment, and for the forgiveness preached by Christ from the first to the last clavary for those who are promoting the growing and increasingly harsh hostility."

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CSO: 3248/584

MLN OFFERS ADVICE TO CEREZO ON CABINET REORGANIZATION

Guatemala City PRENSA LIBRE in Spanish 2 Jun 86 p 13

[Text] The National Liberation Movement (MLN) has repeated its suggestion to the government that several ministries be eliminated as a practical measure, it claims, in order to achieve a positive reorganization of the economy.

Useless Branches

The MLN insists that the Ministries of Culture and Sports, Energy and Mines, and Development are useless branches that do nothing but further inflate the bureaucracy and the general budget.

Secretariats Eliminated Also

In the opinion of the MLN, all secretariats and undersecretariats should also disappear, as should the general directorates and subdirectorates, whose operation is not duly justified as indispensable to the public administration.

Franking Privileges

The National Liberation Movement also deems that the government should put an end to a series of privileges which, it claims, hurt the national treasury. Among these are franking privileges, travel allowances, and the right of public officials (and sometimes their wives) to state cars and plates, including a healthy gasoline allowance.

Against Monopolies

The MLN also asks for cancellation of the monopolistic concessions enjoyed by INDE [National Institute of Electrification], GUATEL [Guatemalan Telecommunications Enterprise], the Electric Enterprise, EMPAGUA and FEGUA [Guatemalan National Railways], Among the other institutions the MLN says should be eliminated are INGUAT [Guatemalan Institute of Tourism], PROLAC, CORFINA [National Financial Corporation] and FLOMERCA [Greater Central American Merchant Fleet].

Exports

In addition, the MLN asks that the export duty be made a uniform 15 percent on the value of the finished product without exceptions or privileges of any kind. It asks for the free export and import of food products and the offer of open ceilings and rates of exchange.

If the MLN's proposals were accepted, its leaders say, there would be an atmosphere of real freedom, inasmuch as a hungry people can never be free.

As a result of the adoption of decisions such as those proposed by the MLN, many new jobs would be generated, the foreign debt would be reduced and, what is even more important, peace and progress would return, the leaders claim.

In order to halt the economic crisis and see a beginning of recovery, it is necessary for all Guatemalans to make sacrifices and endeavor to achieve such goals, a National Liberation Movement press bulletin contends.

Such awareness should exist in all manufacturers, farmers, merchants, blue- and white-collar workers, transport workers, and so on, but the MLN sees with frustration, its leaders stress, that the only sector not included is the government, when it is precisely the domain that should set the example. However, it is the first to use coercion, trying to pass a budget rapidly and without foresight, forgetting about the other sectors.

The first thing that DC [Christian Democratic] officials did upon coming to power, they say, was to give work to all DC leaders, for which purpose ministries were created or expanded, with more deputy ministers, secretaryships, boards of directors, and so on.

"According to their political plan -- inasmuch as economic affairs do not interest them -- what they put into practice is concertation with CACIF. If we mention this group, it is not because we have anything against it, but rather, because it was the only one that made noise. And after weeks of deliberation, they betrayed them, as we all know."

If the legislative branch is independent, it is also true that the president has the right of veto. As we learned from the press, either the other sectors are scarcely taken into account or they are ignored.

"Concerning the 'economic package,' three of the six proposals will affect the country: the one placing new duties on all exports, whose purpose was to assure the government of short-term revenue of 500 million quetzals. But there would be a scale of up to 33 percent imposed on the traditional export products. However, this calculation was not enough to cover needs and the figure was raised to 40 percent."

The second proposal was to legalize a devaluation of the quetzal so that the rate would be 2.5 quetzals for every American dollar. "We do not know where they got the figure because the price of the currency is set based on supply and demand and not by governmental order or any law."

The third law was the increase in the nation's revenue and spending budget from 1.4 million to 2 million quetzals. This is the most disconcerting of all because to date, not even the members of Congress know what is happening. None was informed about the budget in detail, although it was passed by the DC bench.

"For these reasons," they note, "the group withdrew in order not to back the sessions with its presence."

In addition, the officials go on to state, during the second half of May, the Monetary Board approved measures that are recessionary: the increase in the cash reserve of the banks, which reduces their ability to loan money. This reduces the working capital of all productive sectors, causing company closures and layoffs.

"In addition, there is an increase in interest on loans, which means that costs rise and consequently, the price of products do also. Companies that cannot absorb such expenditures could go bankrupt. Private banks are opposed to the measure."

The Bank of Guatemala is going to acquire the money that the IGSS [Guatemalan Social Security Institute] has in savings accounts from payments made by workers and management in private enterprise because the government has not paid a cent of its dues to the IGSS for years and deducts them from the workers' pay.

"We wonder if the government is going to take those 240 million from the IGSS through the front door and out through the back.

"And while the government takes these supposedly anti-inflationary measures, it is at the same time printing over a million quetzals a day, which definitely creates inflation."

Finally, the MLN asks: How long will the DC government apply economic and not political measures?

11,464
CSO: 3248/568

BISHOPS' MEETING WITH CEREZO DESCRIBED

Guatemala City PRENSA LIBRE in Spanish 25 Jun 86 p 2

[Text] The bishops conference established its position on the problems of unemployment, inflation, and refugees at a meeting with President Cerezo held the day before yesterday at the Santo Tomas estate in Escuintla.

This announcement was made by the metropolitan arichbishop, Msgr Prospero Penados del Barrio,yesterday, at the Archbishop's Palace, a few minutes after his arrival from the municipality of Alotenango, Sacatepequez.

Visibly suffering from a cold and with a severe headache, he was surprised that the reporters knew about the meeting with the Guatemalan president. He said: "It had an open agenda, and the most serious problems that the country is experiencing were discussed superficially."

More Communication

Penados del Barrio added: "President Cerezo requested more communication with the Church, so as to have a neutral point of view on the country's problems," claiming that this was a good decision.

According to the report, the meeting was attended by the 15 bishops comprising the bishops conference, who exchanged views "informally," and some political-type jokes were even made.

Penados del Barrio said that the invitation was tendered by the president, for the purpose of "learning the voice of the people through the Church," particularly (he noted) regarding the high cost of living, unemployment, and the refugees; and he asked for a little patience.

This meeting, described as historic by the members of the conference, served to "take the pulse of what the people are experiencing," in the opinion of the interviewee, who said that he admitted that the ruler has met with many inherited obstacles.

Refugees

With regard to the return of the refugees, Msgr Prospero Penados del Barrio remarked that the Church requested that "they return to their places of origin, for which purpose the Church will support the activities to be carried out."

Danger in Loans

In commenting on the series of loans received by Guatemala, the metropolitan archbishop saw in them a danger of mortgaging the country, "because the larger the contributions are, the more dependent we shall be, and that harms our development."

Trip to Colombia

At the conclusion of the interview, he said that, next Sunday, he would travel to Colombia to participate in the annual meeting of CELAM [Latin American Bishops Conference], to which Pope John Paul II will address a message during his stay beginning on 1 July.

2909
CSO: 3248/569

SOSA UNYIELDING TO PRESSURES FROM CUSG

Guatemala City PRENSA LIBRE in Spanish 13 Jun 86 p 6

[Text] The minister of economy, Lizardo Sosa, declared yesterday that, "despite the pressure being brought to bear by certain sectors" upon him, he would not resign from his position.

In this manner, he rejected the request for his resignation proposed by the Confederation for Trade Union Unity of Guatemala [CUSG] to President Vinicio Cerezo, as well as the other ministers comprising the so-called "economic cabinet."

He said: "The only one who is entitled to remove me from this post is President Cerezo, and I think that this could happen at any time, because there is no obstacle to it."

He remarked that, at present, work is being done "intensively in the search for methods to solve the crisis that the country is undergoing." He recalled that the government had not found prosperity, "but rather a Guatemala at the brink of the abyss."

In conclusion, Lizardo Sosa stressed: "It doesn't matter who requests my resignation; I shall remain in the position until there is a presidential decision."

2909
CSO: 3248/569

COURT NAMES JUDGE FOR DISAPPEARANCE CASES

Guatemala City PRENSA LIBRE in Spanish 5 Jun 86 p 8

[Text] The ninth court of the first instance in the criminal branch has been designated by the Supreme Court of Justice as executor judge to engage exclusively in the search and investigation of the whereabouts of the missing persons, on whose behalf personal exhibits have been submitted.

Those personal exhibits were proposed by the Mutual Aid Group on behalf of the persons appearing on the pertinent individual lists and documents presented on 30 May.

It should be pointed out that, for the first time, implementing the Law on Protection, Personal Exhibits, and Constitutionality, an executor judge has been appointed to establish itself in the locations where those missing in the entire national territory may be situated, it was claimed; whether it be a detention center or any other site that has been declared, suggested or suspected, to complete the investigation and to question those responsible, procuring reports from all types of authorities, and accompanied by the individuals who put forth the exhibits.

The executor judge will require the aid of the public force to fulfill its orders or decisions, and will keep the Supreme Court of Justice constantly informed.

In addition, it has been reported that, on 31 May, the Supreme Court of Justice decided on the personal exhibit presented by Michael J. Persellin, of the Minnesota Lawyers International Human Rights Committee, in favor of several persons, and placed them at the disposal of the executor judge per se.

2909
CSO: 3248/569

BRIEFS

FRENCH DEBT RENEGOTIATED--Yesterday, the minister of public health and social assistance, Dr Carlos Armando Soto, confirmed that, "Guatemala has renegotiated with France a loan of 200 million francs, which will be invested in the purchase of equipment for the new Quetzaltenango and Roosevelt hospitals." He noted that this loan was about to be lost, because several commercial establishments had charged that the bidding process was tampered with to benefit certain business firms. Sota added: "This prompted the government to hold talks with the French authorities in order to extend the expiration period and to procure the loan." He continued: "Fortunately, the legislative agency approved the contract yesterday. The MEDICOM firm won the bidding, and will be responsible for equipping the aforementioned treatment centers." [Text] [Guatemala City PRENSA LIBRE in Spanish 24 Jun 86 p 4] 2909

LABOR MINISTER CHALLENGES CUSG--Yesterday, the minister of labor, Catalina Soberanis, remarked: "It is totally untrue that public employees are being pressured to organize on behalf of a particular political ideology." She said that the government respects the decisions of the state workers, in addition to guaranteeing complete freedom of organization, as has been observed during the present administration. "Nevertheless," commented Soberanis Reyes," for public employees to be able to organize into trade unions, there must first be some reforms included in the Civil Service Law, particularly in the case of those working in ministries and decentralized departments." She gave a reminder that, at present, only government workers are prohibited from forming associations, but that in the banks, IGSS [Guatemalan Social Security Institute], and other similar entities, the employees may make use of free organization in trade unions. [Text] [Guatemala City PRENSA LIBRE in Spanish 6 Jun 86 p 3] 2909

TEACHERS UNION REPLACES COUNCIL--The National Teachers Council has now become the Trade Union of Education Workers of Guatemala (STEG), the leader of that organization, Prof Eliseo Cano Acosta, reported yesterday. Cano Acosta said that the decision had been made by departmental leaders at an assembly held last week. It is estimated that the new organization has a membership of over 50,000 persons working in the national education sector. Cano emphasized that the union will have janitors, administrative personnel, teachers, technical staff and employees of the central plant of the Ministry of Education. Application has been made to the Ministry of Labor to obtain the proper authorization. The education leader believes that STEG will be the best organized group in the country. "There are also proposals to form a union of education workers in Central America, not only in order to aspire to better service, but also to improve education throughout the area." [Text] [Guatemala City PRENSA LIBRE in Spanish 24 Jun 86 p 4] 11,464

FOREIGN DEBT RENEGOTIATED--Guatemala has succeeded in renegotiating its foreign debt with international financial institutions, Vice President Roberto Carpio Nicolle said two nights ago upon his return from a trip to Europe. He said that on a stop in the United States, he had met with the president of the Bank of Guatemala, Federico Linares, who informed him of his successful trip to Washington, where he had managed to renegotiate the debt amounting to over $2.2 billion. At the National Palace yesterday afternoon, Finance Minister Rodolfo Paiz Andrade confirmed the news, but said that details on the terms of the negotiations would not be released until today. Paiz Andrade also noted that the budget deficit left by the previous government is 535 million quetzals, but that with the economic reorganization, it would be reduced to 300 million. [Text] [Guatemala City PRENSA LIBRE in Spanish 24 Jun 86 p 4] 11,464

CSO: 3248/568

PEMEX REPORTS ECONOMY MEASURES, SCALE OF SAVINGS

Mexico City EXCELSIOR in Spanish 20 Jun 86 pp 4-A, 10-A

[Text] PEMEX [Mexican Petroleum] has reduced to only 109 the number of ships leased for the transportation and distribution of hydrocarbons, increasing its own fleet (36 large tankers), and expanding the shipments made by land.

PEMEX reported that, during 1982, the coasting trade service for transporting petroleum products required the monthly leasing of an average of 161 ships, during the period following the great oil boom, when there was no regard for costs to raise production, and the company lacked sufficient funds and the time required to acquire its own fleet.

The company explained that the cost in foreign currency for leasing ships, which was $389 million in 1983, dropped to $192 million in 1985, owing mainly to the fact that now a larger number of native ships is being used.

According to information provided by PEMEX, the company's policy is to contract directly with the owners of Mexican fleets which meet the required specifications for carrying hydrocarbons, which purchase ships and register them in Mexico, agreeing to pay the taxes that the law demands, with most of the tariff paid in national currency.

It was explained that the possibility of offering this service is open to any Mexican shipowner willing to meet the foregoing requirements and to participate in the competitive bidding under equal circumstances.

On the other hand, it was noted, the opportunity is denied to those who only wish to participate as middlemen, as well as those who have ships that do not meet the specifications and want to offer them for sale to an institution (PEMEX) that could not purchase them without committing an act of administrative irresponsibility, or to those who refuse to participate in the competitive bidding according to law.

At the present time, PEMEX has four major fleet vessels under construction in Mexican shipyards, as part of its program to increase its own ships, and it will continue with this policy within the bounds of the budget potential.

This information procured from PEMEX relates mainly to an explanation for certain questions that have arisen during recent days, regarding the fact that the country is spending foreign currency to excess, and benefiting foreign businessmen to the detriment of the natives; whereas this is erroneous, because the contracts abroad have been reduced.

2909
CSO: 3248/512

DEPUTIES CITE HUGE WASTE IN GOVERNMENT BREAD DISTRIBUTION

Monterrey EL NORTE in Spanish 14 Jun 86 p 1-A

[Text] Mexico City, 13 June--CONASUPO [National Company for Basic Commodities] has led to bankruptcy, and is about to shut down a factory to produce 3 million pieces of white and sweet bread daily; because it is losing 900 million pesos a year, operating at only 26 percent of its capacity, and throwing away, or selling half of the bread that it produces for forage.

Appearing today before the Chamber of Deputies Trade Commission, Jose Ernesto Costemalle, director of CONASUPO, could not explain the fact that, in Mexico, a country rated by the legislators here as "poor" and hungry," a factory selling cheap bread could "go broke."

It was charged that CONASUPO Processed Wheat, Inc (TRICONSA) has been returning to storage, as frozen bread, 50 percent of its production of 700,000 pieces, later sold as forage or merely discarded.

The legislators disclosed to the head of the parastate food enterprise that TRICONSA uses only 26 percent of its installed capacity, with the capacity to produce 3 million pieces of bread.

Based on the assumption that a person eats bread daily, the TRICONSA capacity would suffice to feed a population equivalent to that of a city such as Monterrey or Guadalajara, or the inhabitants of Ciudad Nezahualcoyotl, in the Federal District.

At the present time, TRICONSA is producing 450,000 pieces of white bread and 290,000 of sweet bread.

After claiming that TRICONSA has failed in its attempt to compete with Pan Roy, Pan Mex, and even BIMBO, it was emphasized that it has spent fortunes on machinery that it has not used.

Deputy Martin Tavira pointed out: "They have not used American packaging machines, machines for making bread for hot dogs, and machinery bought from BIMBO. There is a whole oven that has not been used for 2 years; it has been a year since a huge machine for freezing rolls has been operating; and there is expensive Japanese machinery that is not used for anything."

Tavira explained: "In addition, many broken down machines are stored there." It was charged that, while TRICONSA claims that it has lost 900 million pesos, it spent 650 million pesos to renovate its offices.

None of the foregoing information was denied by the CONASUPO director.

Costemalle attributed the failure of TRICONSA to the fact that the bread is not sold hot, and does not have the quality and usual appearance.

The official explained the fact that no use has been made of the large investments made in machinery because the priority was first to install a plant for crackers and/or one for pastry.

Costemalle claimed that TRICONSA is not viable, and hence its closing is possible.

Alejandro Gascon Mercado, from PMT [Mexican Workers Party], told Costemalle that it was precisely because of the lack of bread for the poor that the armed movements of 1810 and 1910 broke out.

Gascon Mercado charged that there is now a black market for "Tortibonos" [tortilla coupons]; and he described Miguel de la Madrid's administration as the government of "lies."

While all this was happening in the Chamber of Deputies, a large group of TRICONSA workers was demonstrating outside the Legislative Palace. They were demanding a 30 percent wage hike and that the company not be closed.

Unlike the position shown yesterday by Guillermo Becker, director of SIDERMEX [Mexican Iron and Steel] toward the wives of the foundry workers, Costemalle did agree to talk with the TRICONSA demonstrators.

2909
CSO: 3248/512

TWENTYFOLD BOOST IN CAPITAL CITY METRO FARE SOUGHT

Decision Expected Soon

Mexico City EXCELSIOR in Spanish 6 Jul 86 pp 5-A, 38-A

[Excerpt] Yesterday, during his appearance before deputies and leaders of the Federal District PRI [Institutional Revolutionary Party], Isaac Osorio Corpi, general coordinator of transportation, said that there is an urgent need to raise the fares for the Metro, Route 100 buses, and trolley buses. The most serious problem is the subsidies, which take 95 percent of the Federal District Department's funds, and will total 150 billion pesos by the year's end.

At the event, also attended by Roberto Pena, Route 100 director, and Gerardo Ferrando, Metro director, the head of the capital PRI, Jesus Salazar Toledano, noted that, among the many difficulties of the low-income classes in Mexico, is the inefficiency of the transport system, which prevents them from leading an organized, healthy, and balanced life.

Ororio Corpi predicted that, "within a few days," the finance authorities would respond to the capital government's request for a fare increase for public transportation which covers 50 percent of the city's total demand. If its request is accepted, the Metro, trolley buses, and Route 100 buses will have an individual use cost of 20 pesos, or else the multimodal coupon, priced at 750 pesos and good for 2 weeks, may be used.

Answering public questions at the meeting, Osorio Corpi stressed that, "One of the most serious problems facing the transport system is the high level of the subsidy required by the agencies for their operating expenses which, based on the authorization that you have given us, will total 150 billion pesos in 1986. Compared with our own funds, nearly 95 percent of the funding is provided by subsidies." He added that, at present, the average cost per passenger in the three systems is 36 pesos, and if the current trend continues, in 15 years the subsidy will be 350 billion, at 1986 prices. He stressed that this is the main reason for the urgent need to increase fares.

Most of the PRI deputies from the capital's 40 districts participated in the meeting, which lasted over 3 hours.

Other Mass Transit Fares Compared

Mexico City EXCELSIOR in Spanish 7, 8 Jul 86

[Article by Nidia Martin]

[7 Jul 86 p 1-A, 11-A, 41-A]

[Excerpt] Every day, 18 million residents of the Federal District and the neighboring municipalities struggle, suffer and become angry, trying to obtain a seat on buses, trolley buses and the Metro, while those metropolitan communities are being populated at a rate of 9.5 percent per year, and it is estimated that, by the year 2000, the city transport system will require investments of 2.2 billion pesos and subsidies of 350 billion pesos (the current total is 150 billion pesos).

And meanwhile, the finances for operating the capital's transport system are being corrupted. About a decade ago, the rates in effect ceased to be applied in the province's large cities.

At the same time, the metropolitan communities and their accelerated demographic growth (according to figures from the State of Mexico Planning Secretariat) are affecting the services rendered by the Federal District, but particularly in the transportation area.

The studies on origin and destination made by the General Coordinating Board on Transport of the Federal District Department note that, at present, approximately 21 million trips per person per day are made and, if the population growth trend continues (according to the General Directorate for Urban Reorganization and Ecological Protection of the city government, the demographic growth is 2.2 percent per year), by the year 2000 that figure will have totaled 35 million trips per person per day.

The capital government claims that the demand for transportation in Mexico City is being met 45 to 50 percent by the transport systems operated by the Federal District Department, with the rest of the percentage covered by private vehicles: taxis, suburban buses, and others.

The Situation Is Critical

It is also of the opinion that, despite the large investments made in this area, the status of transportation is still critical, and the reason lies in the fact that the supply of mass transport facilities is insufficient to meet the travel requirements which are increasing every day, for a population that is mainly low-income, "which keeps arriving in the city in search of work, education, and other benefits that it apparently has not found in its places of origin."

Thus, the 7,237 buses in service on Route 100, the 119.3 kilometers of Metro, with its 2,161 cars, and the 534 trolley buses with 424 lines are by now showing signs of supersaturation on many of their routes, and this phenomenon of lack of transport capacity is reflected in the proliferation of minibuses (vehicles with a small capacity), whose rates are very high, and which have great shortcomings that make them unsuitable for meeting that unmet demand.

The capital government has tolerated their existence, it notes, because they represent a remedy for the people's transportation needs.

But the lack of an effective mass transport system is evident not only from what has been cited, but also in the indiscriminate use of the private car, the proliferation of which has saturated the city's highway capacity; causing severe delays for their owners and occupants and, what is even more serious, interfering considerably in the circulation of the mass transport vehicles, because they often invade exclusive and preferential lanes on the roads. The latter is exacerbated by the inadequacy of parking spaces.

And, although the city government has not stressed it, the transportation problems have had a significant effect on the loss of productive man-hours.

There Are Not Sufficient Facilities

Moreover, the Federal District's General Coordinating Board for Transport emphasizes that the possibilities of developing a financially sound mass transport system with moderate prospects for growth have been seriously curtailed "by a rate policy based on overly high subsidies, the ostensible purpose of which is to benefit the most needy classes."

In other major cities of the province, the mass transport fares range between 30 and 75 pesos per passenger; so that, for example, in Guadalajara, they are 30 pesos; in Toluca, 40 pesos; in Cuernavaca, 35 pesos; in Puebla, 30 pesos; in Guanajuato, 35 pesos; and in Tijuana, 75 pesos. In the Federal District, they vary from 60 centavoes to 3 pesos (60 centavos for the trolley buses, 1 peso for the Metro, and 3 pesos for the Route 100 buses).

[8 Jul 86 pp 1-A, 9-A]

[Excerpts] In 1970, the minimum wage in the Federal District was 32 pesos, and the transport fares were: on the Metro, 1 peso; on Route 100, 50 centavos; and on trolley buses and streetcars, 35 centavos. Sixteen years later, the minimum wage has risen to 2,065 pesos, and the fares are: 1 peso on the Metro; 3 pesos on Route 100; and 60 centavos on trolley buses and streetcars.

Similarly, at that time (1970), the percentage of those fares out of the minimum wage was: 3.12 percent for the Metro fare; 1.56 for the Route 100 bus transport; and 1.09 percent for those of trolley buses and streetcars. At present, those percentages have been reduced, and they are: 0.04 percent for the Metro fare; 0.14 percent for that of Route 100; and 0.02 percent for those of trolley buses and streetcars.

In view of all this, the Federal District Department has reported to the Secretariat of Finance and Public Credit, as well as to the sectors of the capital population, the need for the aforementioned substantial increase in the fares (there have been several proposals, and it is thought that, if the new fares are authorized, they will remain at approximately 20 pesos for the Metro, 20 pesos for buses, and 20 pesos for trolley buses); because the city government has insisted that the advisable rate, based on the experience in other parts of the world, is the one that can cover 80 percent of its expenses.

In addition, the city government notes that one important point that should be considered in the event that the fare hike is authorized would be that the additional revenue from this item should be allocated for the city transport programs, in order to attain the goals set for the year 2000.

The Transportation Voucher

And for the purpose of integrating the various mass transport facilities operated by the city government into a single rate system, the Federal District Department has planned to implement a 2-week transportation voucher that can be used by the riders to travel on the Metro, the buses, the trolley buses, and the light train.

The voucher consists of two parts: the visual card, which enables the user to board the buses, trolley buses, and light train by merely showing it to the conductor; and the digital ticket which, when inserted into the special turnstiles, affords access to the Metro and returns the ticket during the period when it is in effect.

As advantages offered by transportation vouchers to the users, the latter can travel on any of the mass transport vehicles operated by the Federal District Department; with the opportunity to make a unlimited number of trips during the 2 weeks of its effectiveness; the opportunity to transfer them for use to any member of the family or anyone else; the ability to plan in advance the family expenses for transportation; and minimal savings of 20 percent on transportation costs, in comparison with what would have to be paid if an individual fare were involved (based on the proposals that have been made, the cost of the voucher would be about 720 pesos).

2909
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PRICE RISE FOUND TO PRECIPITATE DROP IN EGG CONSUMPTION

Mexico City UNOMASUNO in Spanish 8 Jul 86 p 14

[Article by Maribel Gutierrez Moreno]

[Text] During the past 2 weeks, egg consumption has declined 30 percent in Mexico City, primarily in the areas in which the population with low income is concentrated, as an immediate effect of the most recent increase authorized in the price of this product which, on 20 June, rose from 340 to 460 pesos per kilogram, according to a poll taken in business establishments in this capital by the Mexican Association of Studies for Consumer Protection.

The head of that organization, Arturo Lomeli, remarked that, during the past 3 years, meat consumption has declined dramatically in the country: 50 percent. He added that it has been found that, at present, 30 percent of the Mexican population, that is, about 24 million inhaibtants, never consume meat, or do so only at parties on on very special occasions. Therefore, eggs were considered the only product with a high protein content within the reach of the entire population. The recent rise in their price has had serious repercussions on the nutrition of the low-income population; which will be reflected in an increase in the proportion of Mexicans considered to have malnutrition problems, which currently stands at between 50 and 60 percent.

From June 1983 to date, a kilogram of eggs had a price hike of 631.33 percent, moving from 75 to 460 pesos. During the same period, the official price of a kilogram of meat rose 433.33 percent, increasing from 300 in June 1983 to 1,300 at present.

Nevertheless, Arturo Lomeli commented, there is constant violation of the official prices of these products, and when the Secretariat of Commerce and Industrial Development authorizes a new increase, it is only legitimizing new prices which in fact are already in effect on the market.

In the case of eggs, it is common to conceal them and make their sale contingent on the purchase of other products. As for meat, at the present time the price being used by most butcher shops ranges between 1,600 and 2,000 pesos per kilogram, depending on the areas in which they are located and the cuts; and the official price is only upheld in certain self-service establishments which are subject to greater monitoring.

In this regard, the Office of the Federal Attorney for the Consumer (PROFECO) noted that there have been no constant complaints from consumers of price violations and other irregularities in the sale of eggs and meat that would really reflect the market's problems; because those affected opt to pay the difference, in view of the difficulty in bringing complaints and engaging in the series of procedures involved in a complaint.

For this reason, of the nearly 8,000 complaints and charges received daily by PROFECO throughout the entire country, only about 10 cases are associated with problems relating to basic products, chiefly eggs, meat, and milk. The few complaints that are made, usually by telephone, concern problems of speculation and concealment of these products, placing conditions on their sale, and raising prices above those officially authorized.

The agency admitted that there are problems in checking the complaints from consumers made by telephone, because there are very few personnel engaged in this work, and PROFECO has only a total personnel numbering 2,500 employees all over the country, including a small number of checkers of complaints and lawyers.

Lomeli explained that the problems involving price hikes for basic products above those authorized are even more serious outside of the large cities. For example, in the small towns, eggs are sold individually and not by the kilogram, which facilitates violations of the official price; in addition to which the mechanisms for price control operate only in the country's large urban areas.

He noted that the Mexican Association of Studies for Consumer Protection considers it an urgent requirement that SECOFIN [Secretariat of Commerce and Industrial Development] provide constant reports on the official prices of basic products, so that it will be the consumers themselves who oversee the fulfillment thereof. Nevertheless, he observed, the information in this regard is always confused and isolated; something which, he claimed, is related to the power of the speculative interests which predominate in commerce.

2909
CSO: 3248/545

UNDERGROUND ECONOMY SAID TO ACCOUNT FOR 26 PERCENT OF GDP

Mexico City EXCELSIOR in Spanish 10 Jul 86 pp 4-A, 34-A

[Excerpt] The national economy has been severely distorted by the presence of an "underground or informal economy" which has had "undeniable social and political repercussions," and which, as a result of the crisis, already accounts for 26 percent of the gross domestic product (12 trillion pesos at current prices), providing employment to slightly over 7 million persons.

Julio A. Millan, president of International Consultants, made the foregoing statement yesterday, adding that this type of economy "has come to be a kind of self-defense among the population to survive the stress of the economic crisis," and that its presence "could lead to the establishment of policies which might seem appropriate, using as a base what is officially known about the economy, but which in fact would be overly expansionist."

The economist informed EXCELSIOR regarding the studies made on this subject for the first time in Mexico, because "the presence of a considerable and probably growing underground economy has obvious consequences that could prove serious, posing a problem of equity, economic policy, and effectiveness."

He explained that the underground economy comprises all the income not included in the national accounts derived in various ways, such as unaccounted for commercial barter operations, production for self-consumption, and work by housewives and persons who are unpaid, employed in family businesses.

It also includes employees who declare low income for purposes of tax evasion, as well as street vendors, temporary employees, and independent professionals. Another category generating the underground economy is that created by the parallel investment market, wherein a group of savers lends its funds directly to investors.

Also included are "obviously criminal" activities, such as smuggling, gambling, and prostitution; as well as another group of areas which, "although they are in fact transferred, cannot be overlooked in the formulation of plans, programs, and policies, both on the macroeconomic and microeconomic levels, and which have undeniable social and political repercussions."

2909
CSO: 3248/545

POSSIBILITY SEEN OF TRYING DURAZO FOR TULA RIVER KILLINGS

Mexico City PROCESO in Spanish No 503, 23 Jun 86 pp 20-22

[Article by Fernando Ortega Pizarro]

[Excerpts] "I shall give up my profession and change my name if I lose the Durazo case," is the deliberately exaggerated statement made by the attorney from the Federal District Attorney General's Office, Juan Miranda Collado, who is certain that he will procure a conviction for the director of police and traffic during Jose Lopez Portillo's 6-year term, for the crime of threats that achieve their purpose, in the form of extortion.

"We are beginning," states Martin Gutierrez Gomez, agent of the Federal Public Ministry (Office of the Attorney General of the Republic), for his part, taking action against Durazo for the crime of stockpiling weapons. "The best part of the case is yet to come." notes Miranda Collada, aside. And both attorneys claim that there is a real possibility that the former police chief may be tried for the Rio Tula massacre.

The lawyers from the local and federal public ministry think that Durazo may be brought to trial for the Rio Tula killings. To expand the charges, it would be necessary to request authorization from the United States Government; because the extradition was granted only for the crimes of threats that achieve their purpose in the form of extortion, and stockpiling weapons.

Attorney Martin Gutierrez Gomez maintains that there is action brought against Arturo Durazo in the 27th court of criminal proceedings for the crime of homicide, associated with the Rio Tula massacre perpetrated by the "Jaguars," a police group of the then Directorate of Police and Traffic. There is also a warrant for the arrest of the head of the "Jaguars," Francisco Sahagun Baca. The proceedings were interrupted, Gutierrez Gomez explains, despite the fact that they were reaching the halfway mark. "We don't know the strategy of the Federal District Attorney General's Office, which is the one making the charge; but we assume that it is being kept confidential. In the first place, we must be limited to the crimes for which the extradition was granted."

With regard to the Rio Tula massacre, Juan Miranda Collado explains that there have been 16 arrests and there is a warrant for the arrest of 14 more "Jaguars."

"As in all matters, there have been retractions, because they have been given advice. But there are direct charges, particularly that of the taxi-driver's mother who says that the 'Jaguars' took her son from his house and removed him to be killed in Tula. There are also charges from Judicial police in Hidalgo. But we must wait until the end of the proceedings to hold others who are implicated liable. I can only tell you that Durazo Moreno was director of police and traffic, and was in charge of the corps from which the 'Jaguars' originated."

There has been no accusation concerning Durazo's relations with the drug traffic, except the one that might be made by his former security chief, Jose Gonzalez Gonzalez, who will soon make a statement before the 26th court of criminal proceedings.

This is only the beginning. The law sets a period of 1 year to hand down a verdict, although it could take longer if there is more evidence to be aired. Miranda Collado claims that the appearances of Durazo's private secretary, Daniel Molina, and of six prominent businessmen who purchased the Ajusco residence, are yet to be made. Their attendance has been set for between 3 and 4 July. Also awaited are the appearances of Col Antonio Lukini, former director of licenses and currently a fugitive; of Susunaga, commander of the auxiliary police who brought the charge of extortion against Durazo; and of the head of the Secretariat for Safety and Roadways, Ramon Mota.

Also yet to be disclosed is the documentary evidence, such as bank accounts, receipts for fees, and "compromising" receipts, attesting to the illegal origin of Durazo's income, the proceeds from extortion. "The police chief had a salary of 100,000 or 120,000 pesos a month, and built a house worth 500 million pesos. He claims to have had other businesses and other income, but he has not proven it."

"In short, the best part of the case is yet to come," repeats Miranda Collado, while Durazo Moreno's defense thinks that there is a desire to keep Durazo in jail as long as possible, for political reasons. The defense has the conviction that, if the trial were strictly juridical, Durazo would be free by now. "But the government thinks that it would be discredited if it released Durazo, even though the charges are flimsy, weak, and full of blunders."

"Will the trial against Durazo reach its final consequences?" Miranda Collado was asked.

"Of course."

"Even though it may expose the system?"

"Fortunately, we have an honest, honorable system."

"Which, nevertheless, has made cases such as Durazo's possible...."

"We have from the authorities complete freedom to prosecute the case and to have punishment imposed according to law."

Then he claimed that, if Durazo is not sentenced to over 5 years, "I shall appeal for the maximum penalty to be given to him. But it suffices if a person under arrest is given a sentence of only 1 day to make him an avowed criminal. What is important is that a person not be cited for having had problems with the justice system."

"Do you think that this matters to Durazo, if he can go free with a minimal sentence?"

"I don't think that Durazo feels comfortable cited by the justice system, and labeled with a number on his chest, like anyone else. Criminals are people, and they must realize that life is life, and that they must lead an honest life."

2909
CSO: 3248/556

CONSERVATIVE FACTION NOT TO SIGN CONSTITUTION

Managua LA PRENSA in Spanish 12 Jun 86 pp 1, 8

[Text] Eduardo Molina Palacios, the political secretary of the PCD [Democratic Conservative Party] (Clemente Guido faction), stated this week that it was not going to sign Nicaragua's new Political Constitution.

Personally confirming this assertion, the political secretary of the Guido faction of the PCD said that he was an authorized party spokesman and that the town meetings do not ease his party's concerns.

He said that the town meetings are being manipulated in such a way that there is no political opening. He also talked about other internal party issues, stating that he was personally willing to sacrifice himself politically for true unity among conservatives.

He added, however, that the other factions had to make such a sacrifice as well and that the PCD has to safeguard its legal status and continue combating the front movement [frentismo] within the assembly as a legal party.

"We could hold a convention and bring together all the factions. Moreover, we accept the group led by Mario Rappaccioli. We can thus strengthen our large rank and file and our leadership, including Dr Miriam Argeullo," he indicated.

With regard to domestic politics in general and the Sandinist government, Eduardo Molina said that the official media have criticized him for his demands to and criticisms of the government.

8743
CSO: 3248/552

BOLANOS, OTHERS GIVE OPINIONS ON MIXED ECONOMY

Managua EL NUEVO DIARIO in Spanish 21 Jun 86 pp 1, 8

[Text] Most of the speakers at the Seminar on Mixed Economy in Nicaragua agreed yesterday that a system of that type cannot be developed until there is peace. However, economist Jose Luis Medal feels that "peace is impossible without a well defined model of mixed economy."

Enrique Bolanos Geyer, president of COSEP [Higher Council of Private Enterprise], was the most pessimistic about the economic policies of the revolution, calling it the "cornerstone of Sandinist propaganda."

In Bolanos' opinion, none of the three principles of the revolution--mixed economy, nonalignment, and political pluralism--exist.

However, Dr Xavier Gorostiaga of CRIES [Regional Center for Socioeconomic Research] stated that political pluralism cannot exist in a country where there is no economic balance. He criticized private enterprise for having made a big mistake.

Europe Knows

According to Gorostiaga, the fact that Nicaragua is the Central American country that has received the most aid from Europe is proof that there is room for a mixed economy here. It also demonstrates the opposition of the majority of the European governments to Ronald Reagan's policy.

The mistake by the big businessmen in Nicaragua is that, several years ago, they thought the Sandinist Revolution was collapsing. However, time passed and the opposite happened, according to Gorostiaga.

Enrique Bolanos said: "In this warped mixed economy, we see that the state is in every business because it wants to own the entire economy, not just govern it."

The president of COSEP stated that the per-capita GDP in Nicaragua "has regressed 30 years." He asked the deputies to the National Assembly to convoke a plebiscite on the mandate of President Daniel Ortega.

Planners Needed

Xavier Gorostiaga insisted that Nicaragua needs forces capable of planning. He supported Mauricio Diaz of the PPSC [Popular Social Christian Party] who proposed the creation of a National Planning Council formed by various interested organizations.

Refuting what Bolanos said, Gorostiaga demonstrated that the state participates in 50 percent and the other half is the responsibility of private enterprise.

As to the private sector, he calculated that 30 percent is in the hands of small producers, 10 percent in the hands of big businessmen who cooperate with the revolutionary project, and the remaining 10 percent is in the hands of the large producers who think "all this is a disaster."

Gorostiaga commented that Nicaragua is experiencing a war economy, not a mixed economy. Therefore, the entire responsibility for the crisis should not fall on the Sandinist Front.

He indicated that private enterprise also has its share of responsibility in the mistakes that have been made because "it was not defined and was flirting" in the first years.

Great Decapitalization

Bolanos feels that the war of aggression that Nicaragua suffers is the effect and not the cause of the problems of the country, implying that the Sandinist Government attacked the United States.

Gorostiaga demonstrated that the Sandinist Revolution has fought for a new economic regime facing the $4 billion decapitalization that the past administration and the war have left the country.

At the same time, there has been a dramatic regional crisis starting with the collapse of the Central American Common Market. Meanwhile, the U.S. Government has invested more than $9.4 billion in its war of aggression against Nicaragua.

Xavier Gorostiaga stated: "There cannot be a mixed economy unless it is tied to a solution of regional and national peace."

Diaz Against the APP

The leader of the PPSC, Mauricio Diaz, was one of the first speakers. He presented his opinion that a worker's ownership sector should be created in Nicaragua to replace the APP [People's Ownership Sector] "which is a euphemism for the state."

Diaz said that by nationalizing the means of production, the government only "creates a lack of confidence."

Mauricio Diaz argued: "For the government to achieve development, it must stop being an unfair competitor." At the same time, he proposed the creation of a heterogeneous national planning council.

The leader of the "Pepes" said: "We are in a stage of underdevelopment since there is no single policy."

Logic of the PLI

A member of the PLI [Independent Liberal Party], Eduardo Coronado, reached the conclusion that "without peace, we cannot speak of a mixed economy but of a war economy. This means a straitjacket."

He called for a real meeting of all patriotic forces in Nicaragua to achieve the best economic model. Right now "each one tries to solve the problems from his own perspective."

The PLI politician also said that the logic of the majorities could not be mentioned without taking into account the minorities. He lamented: "That is what we have not been able to combine."

Another speaker at the seminar that closes today was Carlos Vila of CIDCA [Research and Documentation Center of the Atlantic Coast]. He felt that after 7 years of revolution, the Nicaraguan economy is going through a situation of tension and deep conflicts, indicating a strong tendency toward stagnation and recession.

War, Main Obstacle

He added: "This situation is a result of the acute crisis that affects all Central America." He explained that the Sandinist Government has had to bear the worst costs of reconstruction. Then the economy was affected by 2 years of abnormal rains (1982-1985). It has also had to deal with tighter restrictions on foreign financing, especially from multilateral organizations.

Vila stated: "Consequently, the euphoria and over-confidence of the first years, reflected in the goals of the first economic programs, have given way to a more cautious viewpoint."

He added: "The prospects for a rapid economic recovery with very high rates of growth have been replaced by a focus that emphasizes survival as the priority goal--in fact, practically the only goal: to resist as much as possible until a dignified peace is achieved."

The decision of the Sandinist Government to reorient its economic strategy in the last 18 months is more due to "the needs imposed by the war than an ideological preference," according to Carlos Vila.

7717
CSO: 3248/531

POLICE OCCUPY PRIVATE SHOP AT UNION LEADER'S REQUEST

Managua LA PRENSA in Spanish 13 Jun 86 pp 1, 12

[Text] Driving up in several military jeeps, Sandinist police under the command of a second lieutenant occupied Talleres Julio Martinez this morning.

They came in response to a request from the top union leader at the shop, who claimed that "the workers there were making off with the tools."

Most of the mechanics, who oppose the occupation of the shop by a minority, the resolutions of the general labor inspector and the resolutions of Deputy Minister Rene Vallejo, chose to remove "the tools they own," inasmuch as on previous occasions, they said, some have been lost.

"Each mechanic at the shop has his own tools, but the specialized equipment belongs to the firm," said Miguel Urroz, the general manager of the shop.

The Sandinist Police showed up early in the morning, thoroughly searched the entire premises and, at the request of the labor leader named Pinell, prevented an employee from picking up spare parts from a warehouse owned by the Julio Martinez Group in the Santa Ana district.

The police stopped the employee as he was making his daily rounds in a van to restock merchandise at the group's various workplaces.

Miguel Urroz stated that a deadline that the Labor Ministry gave the firm to "normalize its affairs" expired last night, that the company is willing to do so as quickly as it can, but that the union's hostile attitude has prevented it.

Urroz asserted that "we have received no official notification of an intervention here," adding "there are no documents. The police have not intervened; they have come at the union's request in connection with an alleged theft of tools, which the workers removed on their own because they own them."

"We have an appeal before the Court of Appeals, which has not yet issued a ruling. We are appealing to the Supreme Court of Justice. We are not legally subject to any intervention, confiscation or government order, and the Justice Ministry can confirm all this," said Miguel Urroz.

Rodolfo Dorn, the administrative general manager of the 14-company Julio Martinez Group, S.A., made no statement on the matter and was said to be meeting with several attorneys.

The police arrested an employee named Cesar Vallecillo this morning as he tried to drive a van out of the garage after picking up a battery that he had been recharging.

On orders from the second lieutenant, he was taken to the Monsenor Lezcano Station; a company attorney was sent there to arrange for his release, inasmuch as he had committed no crime, company executives reported.

Since the weekend is nearing, the Julio Martinez case has still not been settled, however, as the police intervened this morning, at the request of the union, without an order from any civilian authority.

8743
CSO: 3248/552

RESULTS OF AUTONOMY SYMPOSIUM NOTED

PA250247 Managua ANN in Spanish 2100 GMT 21 Jul 86

[Article by H.G. Verzi]

[Text] Managua, Jul [date as received]--The symposium on the state, autonomy, and Indian rights has concluded in this capital after issuing a document which condemns U.S. aggression which endangers the survival of the communities in the Atlantic Coast; "strongly supports the Nicaraguan people's right to defend their sovereignty;" and states its solidarity with the people which struggle for their rights and national liberation.

Pablo Gonzalez Casanova, director of the Interdisciplinary Center of Humanities at the UNAN [National Autonomous University of Nicaragua], read the document which acknowledges the efforts exerted by the Sandinist Revolution to implement the historical rights of the Indians in the Atlantic Coast by means of an autonomy project.

The document, which is currently circulating as the "Declaration of Managua," analyzes the situation of discrimination and exploitation that the Indian people have suffered for centuries, and also recognizes the multiethnic and multilinguistic character of the states in the American continent.

The Symposium and Its Conclusions

Financed by Nicaragua, the Swedish Government, and other nongovernment organizations, the symposium was held from 12-15 July, with the participation of more than 100 scientists. Indian and humanitarian leaders from the United States, Canada, Europe, and Latin America, who worked during 3 days in various commissions to discuss the following topics: 1. The state, rights, and autonomy; 2. Historical Indian rights and international laws; 3. Comparison of experiences and the Indians' situation in Latin America.

The first conclusions state that an effective international recognition of the Indian people's historical rights will mean full respect for the sovereignty, territorial integrity, and political independence of the interested states, as well as the enforcement of the principle of non-intervention by one state in the affairs of another.

The conclusions continue: The autonomy project for the Nicaraguan Atlantic Coast "is only possible in the concept of the Sandinist people's revolution," and has a historical meaning if carried out within the framework of a united national state.

Another important conclusion states: "Given current conditions in Latin America and other regions in the world, where the Indian people are subject to oppression, poverty, and deprivation, turning their demands and hopes into positive rights, demands above all, deep political, economic, and cultural changes in those societies."

Consequently, this achievement means the defense of the Sandinist people's revolution against its historical enemy, the conclusions state, adding that Nicaragua is the first Latin American country to recognize the multiethnic character of its state.

Several viewpoints were analyzed during the debates on the legal aspects of the autonomy project for the Atlantic Coast, including the need to control the communities' land and natural resources, the communities' participation in the country's military defense, and the creation of a "self-government" in the Atlantic Coast with the authority "to propose operational norms to the central government and to participate in the definition of these norms."

Special emphasis was made on the need to avoid confusing the autonomy's legal status with that of self-determination, and it was pointed out that the latter "is a lie which the United States exports to the Indian movement in the Third World."

Particular emphasis was also made on the need for the autonomy project to have constitutional status by including it in a chapter of the magna carta, while having the status of a constitutional law, similar to the one on protection, elections, and emergencies.

A statement defending the thesis that the basic contradiction in the Atlantic Coast is based on a majority and dominant ethnic group and a minority and oppressed ethnic group, was considered as a "viewpoint which does not reflect the real situation of the Indian people and ethnic communities (...) given that it artificially separates the ethnic groups from sectors that are equally exploited by the society."

The document also concluded that the idea of a universal disagreement between ethnic struggles and political parties "is another abstract and unreal generalization" that contributes, in fact, "to strengthen and perpetuate the exploitation of the same peoples and ethnic communities."

In one of the paragraphs it is confirmed that "while other regions continue to be oppressed although they also demand deep social changes, in Nicaragua the revolution meant the rescue of those rights," as it recommended the use of other forums such as the United Nations and other intergovernmental organizations to help out in the implementation of projects of that nature.

The document stressed that autonomy must recognize rights as a whole; this recognition would constitute the basis upon which to strengthen national unity. Autonomy should also reflect democratic and anti-imperialist principles. The document also confirmed that Nicaragua's problems have not been caused by the Sandinist revolution; they are Nicaragua's heritage from the colonial era.

The ethnic problem--the document points out--"will always be part of the nation-imperialism disagreement."

The Project Threatened

During the past 12 months it has been confirmed that in the Atlantic region there is relative tranquility, which has led to a dialogue, the study of autonomy, and great advances not only in the preparation of the basis of the project and the creation of commissions, but also in material measures that demonstrated to residents of the region that peace would bring benefits.

Various projects were discussed with encouraging results; among the most outstanding was the project for Yulu, a town near Puerto Cabezas which was proclaimed "the Peace Capital" last 17 May, when the ceasefire between the Indian organizations and the EPS, which led to peace, was commemorated.

The Sandinist front knows that if the CIA were to withdraw, the conflict would be resolved immediately and total peace would be achieved, while the dialogue as a "vital link" in the identification of the Indians' interests, and the revolution would advance at a "dizzying" rate.

During the opening speech at the symposium, Interior Minister Commander Tomas Borge said that according to military intelligence sources, the southern region of Rio Coco would have been the theater chosen by the United States to initiate actions to hasten a direct invasion by U.S. troops.

While Borge stressed the "ideological, political, and moral identity among those who massacred the Miskitos, Sumus, and Sambos at that time (during the U.S. invasion of 1927-33, which was confronted by Sandino) and those who murder and kidnap them now," Ray Hoocker, coordinator of the Autonomy Commission, said in the closing remarks that "the continuation of the war at its present level will not endanger the Nicaraguan revolution, but if peace is not achieved promptly the cultures on the Nicaraguan Atlantic coast will become museum pieces. They will, in fact, disappear," he said.

Hoocker said that the towns on the Atlantic Coast have begun to understand "that the Reagan Government is the enemy, and that the selfish sons from the Atlantic who accept weapons and money from the U.S. Government participate, consciously or unconsciously, in the destruction of their own families and culture."

Scientist Gonzales Casanova said that the symposium "is a pioneer in the history of democratic, revolutionary theory and practice in regard to the ethnic groups of colonial origins."

While these statements were being made, reports from the Atlantic Coast stated that for the past week there have been clashes between the Indian counter-revolutionary groups and Sandinist troops.

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CSO: 3248/579

BRIEFS

SPANISH TECHNICAL AID--Father Fernando Cardenal, minister of education, will receive a donation of electrical and technical material for INTECNA [National Technical Institute of Granada] today, Tuesday, 24 June, from the Spanish ambassador and the chief of Spanish Cooperation with Nicaragua. There will be a simple ceremony in the office of the MED [Ministry of Education] at 10 am. The donation to INTECNA is part of the $60,000 in aid that Spain is contributing to that institution this year for the professional and technical development of the country. For 12 years, the Spanish Government has been collaborating with this type of aid, specialized technology and material. This cooperation should be reinforced in the future. [Text] [Managua BARRICADA in Spanish 24 Jun 86 p 4] 7717

CSO: 3248/531

MATOS AZOCAR CRITICIZES ADMINISTRATION'S ECONOMIC POLICIES

Caracas EL NACIONAL in Spanish 30 Jun 86 p D-11

[Interview with former CORDIPLAN Minister Luis Raul Matos Azocar on 29 June in San Cristobal, Tachira; author not given]

[Text] San Cristobal, 29 June--"The economic policies of the national government have had a low social content," said Luis Raul Matos Azocar here.

The former minister of the Office of Coordination and Planning (CORDIPLAN) came here to give a lecture on "The New Management" at the headquarters of the Tachira Chamber of Industry. After the lecture, he talked to this reporter about economic matters. When he was asked about the announcements by the Central Bank of Venezuela (BCV) and the finance minister that no unified exchange rate is contemplated, he said:

"I think that the president of the republic should have a coherent economic program that will enable him to maintain this situation of partial free exchange, in which 80 percent of all activities are subject to exchange controls. I personally also have a few proposals to make regarding exchange controls. They are more related to another set of economic alternatives which would enable us to lower interest rates and make every bolivar invested domestically work more effectively. Throughout society people are debating these issues, but this does not mean, as some allege, that efforts are being made to undermine credibility and confidence in the economic system."

No Harm in Talking About Exchange Controls

[Question] The government thinks it is harmful to talk about whether or not free exchange is a good idea . . .

[Answer] Before responding, I would like to cite an example. In England, within the Labour Party itself there are factions that write about an economic policy of free exchange, and there are others that advocate strict exchange controls. The same thing is happening in the Conservative Party. In other words, discussing this issue is not harmful, in my opinion. On the contrary, I believe that it helps to shed light on the situation, because in any event people know that the final decision rests with the person who fulfills the executive function. In that regard, the president and his finance minister have been emphatic in explaining the government's position on this matter.

[Question] What is your view of the government's economic policy?

[Answer] We must await the announcements that will be made when the main features of the 1987 budget are presented, because the president announced in his second message to Congress that there will be a change in course. In general, I believe that what needs to be changed is the logic of the economic policy that many of us national leaders have been pointing out. Among these leaders are Juan Jose Delpino, president of the Confederation of Venezuelan Workers (CTV), and Antonio Rios, national labor union secretary of Democratic Action (AD). We have been saying that the current economic policy will not bring about the reactivation of the economy, and the fundamental reason is that we are depending too much on public spending as a stimulating element. This factor has lost its effectiveness as a reliable stimulant to the economy.

Liberation of Productive Force

[Question] What must be done, Deputy?

[Answer] We must study an entire series of stimuli aimed at encouraging the private economy to do that. This process was termed the liberation of the productive force in the general features of the 7th Plan of the Nation, and it was also recommended to us by former Spanish Finance Minister Miguel Boyer on his recent visit. The liberation of the productive force does not in any way mean establishing a policy of free prices or a policy of totally free competition on the market in which the market should function or in which we believe that the state should intervene thorugh a system of democratic planning.

[Question] Do you agree with the CTV in calling for better treatment of the working class by the government?

[Answer] Undeniably. The problem we are facing and its political ramifications are due to the low social content that has thus far characterized the government's economic policies. It has definitely been the wage-earners and especially the unemployed and the deprived who have borne the brunt of the efforts to solve the crisis. In my opinion, some of the programs drawn up in CORDIPLAN must be revived: those related to the policy of creating jobs for unskilled labor, such as the maintenance and expansion plans. We must also return to the subsidy policy. We must look at the origins of fiscal resources; they come primarily from oil revenues. No one has the legitimate right to decide how these resources are to be distributed.

Time to Regain Popularity

[Question] As a national leader of AD, how do you view the decline in the government's popularity? AD candidacy?

[Answer] I believe that we still have enough time left to regain the popularity the government and the ruling party have lost in the polls. But we will have to undergo a decision-making process in which we must use our limited economic resources to implement programs that have a real impact on the people.

It is imperative that we link economic events to political affairs in this country. It will be necessary for the next government to study ways of being effective in a highly complex situation in Venezuela. This is closely tied to the process of selecting presidential candidates within the parties. In the case of my party, Democratic Action, we will have to heed the wishes of the rank and file and the mid-level leadership. In addition, as the labor union office of the party pointed out, we will have to select the candidate who has the most appeal with the masses, and who is in the best position to overcome the many problems that have been building up over the last decade in the country's economic and social spheres.

AD Focused on Reelection

I think that with regard to reelection, Democratic Action will have to take a new look at the culture of our past. At heart, we have been a reelection-oriented party, in the sense that we have always striven for the reelection of the president of the party and of our representatives in the CTV. We have promoted reelection, generally with a very low rate of success among our party leaders. Consequently, we must ask ourselves if the reelection of the president of the republic is the only thing that is harmful to democracy.

Cool Relations with Government, Not Bitter

[Question] Do certain sectors consider you the government's enemy since you left CORDIPLAN?

[Answer] There has been a lot of speculation in this regard because I have taken independent positions. You must understand that part of the responsibility we political and party leaders have is to constantly remind the president of the republic of the promises he made during the election campaign. I do not believe that we can continue with a political system in Venezuela that makes promises during the campaign and creates great expectations. These promises that were shouted and promoted are not fulfilled.

In this regard, I point them out, always accompanied by a constructive contribution in the form of a proposed solution or ideas for overcoming the crisis. Now that I have been offered an ambassadorship, I have stated that my role is to remain in the country and try to work with the nation, with the government, with the party if they need me. The fact that I have contributed ideas to see how we can overcome the great crisis, and also the fact that the president of the republic has offered me an ambassadorship through the secretary general of the party, both indicate that my relations with them may be a little cool, but not necessarily bitter.

8926
CSO: 3348/684

EFFECT OF OIL PRICE DROP ON PUBLIC REVENUES VIEWED

Caracas EL DIARIO DE CARACAS in Spanish 5 Jul 86 p 25

[Article by Jose Suarez-Nunez; passages enclosed in slantlines printed in boldface]

[Text] During the first month of this year, thousands of barrels of oil remained in Venezuelan ports and had to be stored on the islands of Curacao and Bonaire. When the national government authorized /hands outside Venezuelan Petroleum, Inc. (PDVSA)/ to set prices, a slow process of recovering markets and fighting over prices with competitors began.

This was reasonable, because since the nationalization a policy of favoring long-term contracts and staying away from the spot market had been pursued. Given the circumstances of the market, the internationalization policy was necessary to ensure that some 440,000 barrels per day would be placed on the foreign market through partnerships with Veba, Citgo, Champlin and Nynas Petroleum, and in the long term, that 800,000 barrels per day would be marketed with other partners.

When all is said and done, these 440,000 barrels per day will yield an additional profit of $2 to $3, even if the oil market remains weak. By the end of July, the oil industry had managed to survive and to emerge from the hole of the low export figures that had been seen in the first two months of 1986. Unofficial sources revealed that the average export price of crude was between $12.50 and $13.50 per barrel, and that of oil products, $14 to $14.20 per barrel.

Aggressive Sales

It was not easy for the marketing managers of the petroleum industry to adopt all the possible combinations for sales: extending the term of payment by 30 days if the customer has enough guarantees; or naming a given price for shipments when they are in Venezuelan ports, and then changing the price 7 days later when they reach the United States and 15 days later when they enter European ports. During the 9 years following the nationalization, customers came to Caracas to buy. Now it has been necessary to go out and sell and to compete with equal prices on an uncertain and volatile international market.

Then came the Saudi net back, to which 26 international oil companies allocate 2.6 million barrels per day in the so-called /closed net back./ The way it works is that crude oil is delivered, and then their profit is announced.

Other OPEC and non-OPEC countries do the same, and other sales techniques such as bartering, additional discounts. and longer payment terms are utilized. In the final analysis, they end up weakening the price of crude.

Difficult Month

July has traditionally been a difficult month for exporting countries, because crude purchases by the industrialized countries in the Northern Hemisphere fall off. Less crude oil is consumed for heating, and refineries shut down production and do not buy crude for processing. In addition to this, speculation has sent the international markets into a tailspin because purchases are down.

During this month crude prices can drop still further, without that meaning that they will remain low throughout the year. Very pronounced reductions will, however, affect the country's earnings, unless they are offset in the final quarter of the year when crude and oil products prices go up again.

Six Scenarios

The chart illustrates six fixed scenarios in which average exports are estimated at 1.5 million barrels per day, with average export prices ranging from $10 to $15.

The foreign exchange earnings are expressed in terms of days, given the volatility of the market. Net revenues are also calculated, since the state takes 83 percent of oil income through eight different taxes (income tax, royalties, drilling fees and others). The remaining 17 percent is used by the oil industry for investments and operations for programs and projects.

If we calculate that during these first 6 months sales have amounted to 1.5 million barrels per day at an average of $15 per barrel, we find that oil revenues have totaled $4.117 billion, of which the state will get $3.417 billion.

If oil sells for $10 over the next 6 months, the treasury will have collected $5.686 billion by the end of the year. A sales price of $13 would mean $6.363 billion in revenues, while $15 would mean $6.820 billion. In addition, we must take into account the taxes on sales on the domestic market, and additional profits earned from internationalization. But if prices remain below $15, the treasury will collect no more than $8 billion in 1986.

Price	Daily Exports (barrels)	Daily Earnings	Daily Treasury Revenues	Annual Foreign Exchange Earnings
$10	1,500,000	$15,000,000	$12,400.00	$5,475,000,000
$11	1,500,000	16,500,000	13,600,000	6,022,000,000
$12	1,500,000	18,000,000	14,900,000	6,570,000,000
$13	1,500,000	19,500,000	16,180,000	7,117,000,000

Price	Daily Exports (barrels)	Daily Earnings	Daily Treasury Revenues	Annual Foreign Exchange Earnings
$14	1,500,000	$21,000,000	$17,430,000	$7,665,000,000
$15	1,500,000	22,500,000	18,670,000	8,100,000,000

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AVEX PRESIDENT ON NONTRADITIONAL EXPORTS REVENUES

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[Article by Wilmer Ferrer]

[Text] Nontraditional exports could yield up to 18 billion bolivars to the national treasury by December, since the sector has shown an upward trend in recent years.

The goal set by the Venezuelan Export Association (AVEX), however, is 20 billion bolivars, which cannot be attained as long as a number of external and internal obstacles remain.

The president of AVEX, Regulo Campo Martinez, contends that the greatest external problem is the protectionism that has characterized the major markets of the industrialized world. It has set up barriers that bar the entry of exports from developing countries.

Specific examples are the United States and other large industrialized centers located in the European Economic Community (EEC), where heavy barriers are put up against agricultural products. If it were not for this problem, our exports would have given us the opportunity to earn at least "a few more dollars," said Campo Martinez.

Domestically, the president of the exporters acknowledged that the red tape involved in exporting is much less cumbersome than it used to be. The establishment of the Single Window at the Foreign Trade Institute (ICE) provides greater opportunities and more information for producers who want to sell their goods abroad.

Nevertheless, the severe problem of creating the infrastructure exporters need to carry out their function effectively remains to be solved.

Campo Martinez cited the need to implement a proper transportation and freight policy. Transportation in the Caribbean is especially important, since this is considered a natural market for Venezuela that is being lost because of the inability to move goods to that market. He also noted that part of this transportation network should be equipped with refrigerated compartments for the safe transportation of agricultural products and other perishable goods.

Agricultural production has improved so much in this country, he said, that agricultural exports alone could account for large quantities of dollars coming into the country to be used for paying off the foreign debt.

He indicated that agricultural producers, agroindustry, and other producers of goods that require preservation techniques must be given the necessary facilities for exporting their goods. In this regard, ICE President Eduardo Mayobre pointed out that installing refrigerated compartments and a sophisticated transportation system must be carried out on the basis of good planning, because transportation resources must correspond to export needs and quantities.

Another aspect brought up by the AVEX official is the requirements of a fumigation chamber. If the equipment in question is not available, "the idea of being an export country becomes an illusion," he said. If this entire infrastructure is lacking, exports will decline. Therefore, the country should come to terms with this policy.

Campo Martinez and Mayobre both agreed that these needs exist because the country was set up only to import, not to sell our products on other markets. The existing infrastructure is adequate to receive goods purchased abroad. In this regard, Mayobre said that many adjustments must be made in a variety of areas to adapt to the export plan.

"We must take advantage of this point in history, because the country cannot live on oil alone. We must diversify," he stressed.

As for the supply of exports, exporters believe that it is increasing daily, "but there is not enough impetus to devise an appropriate strategy."

Mayobre confirmed this, adding that work is being done on a more in-depth study to determine what can really be exported. The AVEX president indicated that the most outstanding products are those of the basic industries, the chemicals and petrochemicals industries, and the manufacturing sector, including shoes, textiles, plastics, wood products, and glass products. Recently markets have become more diversified, moving beyond the traditional trading partners in the United States and the Caribbean.

"We have gone, however, to Central America and the European Community, although there we have to fight against protectionism. There are plans to incorporate the African market, setting up an office of the Venezuelan Navigation Company, Inc. (CAVN) in Santa Cruz de Tenerife in the Canary Islands. This is an open window on the African continent. In addition, by opening up offices in Spain, it is very feasible to reach the countries of the Middle East."

In this connection, the president of the ICE stated that the Venezuelan consulates are playing a key role in promoting exports, because they are organizing events that can interest businessmen from other countries in Venezuelan products, and thus establish permanent commercial ties.

In addition, the trade missions that visit Venezuela have become another means of broadening negotiations. In this respect he mentioned the missions from China, Denmark, Chile, Argentina, Peru, and Uruguay. Measures have already been taken to yield concrete results, he reported.

As for the foreign exchange earned by the country from exports, Campo Martinez noted that they are used to buy the raw materials and components that national industry requires to continue the productive process.

He said that AVEX has very good relations with the Differential Exchange System Office (RECADI), which has expressed an interest in speeding up AVEX requests because it understands that imported components and materials cannot be delayed.

He explained that the volume of dollars earned from exports is not stupendous, but these revenues are recycled in the national industrial production process.

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END